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# West Europe Report

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2 August 1985

## WEST EUROPE REPORT

## CONTENTS

## POLITICAL

## BELGIUM

- Commentator on Possible Coalitions After Election  
(Editorial; DE STANDAARD, 24 May 85) ..... 1

## CYPRUS

- Briefs  
KYP Reorganization ..... 3

## GREECE

- Government Restructuring Seen Benefiting Papandreou  
(I KATHIMERINI, 4 Jul 85) ..... 4
- PASOK Victory Interpretation: Comments  
(Various sources, various dates) ..... 12
- Dual Identity of PASOK ..... 12  
Pillage of the Leftist Vote ..... 13
- Reasons Cited for PASOK Increase at Polls  
(Gerasimos Apostolatos; POLITIKA THEMATA, 14-20 Jun 85) .. 16
- PASOK Said To Have Created 'Great Idea'  
(G. Karagiorgas; I KATHIMERINI, 12 Jul 85) ..... 18
- Biographic Data for First-Time PASOK Deputies  
(EXOSMISI TIS KYRIAKIS, 7 Jun 85) ..... 21
- Strong Ferment Reported in KKE Grassroots  
(Stelios Kouloglou; ANDI, 21 Jun 85) ..... 25
- Biographic Data on KKE Deputies  
(RIZOSPASTIS, 5 Jun 85) ..... 29

|   |    |
|---|----|
| Biographic Data on New Areopagus Appointees<br>(I KATHIMERINI, 4 Jul 85) .....              | 36 |
| Police Reorganization Seen Correcting Previous Errors<br>(I KATHIMERINI, 5 Jul 85) .....    | 38 |
| Details on Government, Ministries' Reorganization<br>(TA NEA, 5 Jul 85) .....               | 41 |
| Public Order Official Allegedly Received Terrorist Training<br>(I VRADYNI, 29 Jun 85) ..... | 45 |
| Briefs  |    |
| Possible New Ambassadors  | 47 |
| PASOK Hardliner   | 47 |

#### ICELAND

|   |    |
|---|----|
| Foreign Minister Geir Hallgrimsson on Politics, Own Career<br>(Herdis Thorgeirsdottir; MANNLIF, Feb 85) ..... | 48 |
|---|----|

#### NORWAY

|  |    |
|--|----|
| Red Electoral Alliance Leader Jahn-Arne Olsen on Vote Prospects<br>(Morten Moller Warmedal; AFTENPOSTEN, 1 Jul 85) ..... | 60 |
|--|----|

#### PORTUGAL

|   |    |
|---|----|
| Eanes Assesses Career, Considers Association With PRD<br>(Antonio Ramalho Eanes Interview; TAL & QUAL, 28 Jun 85) . | 62 |
| PSD's Cavaco Silva: Reasons for Breaking Coalition<br>(Manuel Anta; GRANDE REPORTAGEM, 15-20 Jun 85) .....          | 65 |
| PSD Actions Seen Giving Authority to PCP<br>(Editorial, Victor Cunha Rego; SEMANARIO, 29 Jun 85) .....              | 68 |
| Lemos Ferreira: Portrait of Possible Candidate<br>(SEMANARIO, 29 Jun 85) .....                                      | 70 |
| PSD Leaders' Statements Cause Confusion, Perplexity<br>(Various sources, various dates) .....                       | 71 |
| PS-PSD Bipolarization, by Jose Antonio Saraiva  | 71 |
| PSD Alliance Undecided, by Jose Ribeiro e Castro  | 72 |
| Polls' Results: Undecided Have Upper Hand<br>(Margarida Viegas; SEMANARIO, 29 Jun 85) .....                         | 75 |
| Poll on Party Rankings in Early Elections<br>(TEMPO, 6 Jun 85) .....  | 82 |

## SPAIN

|   |    |
|---|----|
| Felipe Gonzalez News Conference<br>(Felipe Gonzalez; UNOMASUNO, 5 Jun 85) .....                           | 91 |
| Gonzalez Says EEC, Latin America Ties To Improve<br>(EFE, 13 Jun 85) .....                                | 94 |
| Algerian Minister: Spain Could Play 'Major Role' in Sahara Peace<br>(Alberto Miguez; ABC, 3 Jul 85) ..... | 96 |
| Briefs  |    |
| New Envoys Present Credentials  | 98 |
| Ponomarev-Led Soviet Delegation Visit   | 98 |

## MILITARY

### EUROPEAN AFFAIRS

|   |    |
|---|----|
| Advantages of Franco-German Reconnaissance Satellite Argued<br>(Ruediger Moniac; DIE WELT, 11 Jun 85) ..... | 99 |
|---|----|

### FEDERAL REPUBLIC OF GERMANY

|   |     |
|---|-----|
| Air Force Participation in Ground Combat Exercises Reviewed<br>(Dieter Bergener; TRUPPENPRAXIS, May 85) ..... | 101 |
|---|-----|

### GREECE

|   |     |
|---|-----|
| Joint Training With U.S. Forces in NATO Reportedly 'Frozen'<br>(RIZOSPASTIS, 7 Jul 85) .....                  | 111 |
| 'Parmenion' Joint Military Maneuvers Reported Successful<br>(Nikos Gerakaris; I KATHIMERINI, 28 Jun 85) ..... | 112 |
| Complete Success of 'Parmenion '85' Maneuvers Praised<br>(Various sources, 28 Jun 85) .....                   | 114 |
| Turks Watching, by Nikos Khasapopoulos  | 114 |
| Rapid Deployment Forces in Action, by Stratos Kalogeropoulos  | 115 |
| Artillery's Precision, by G. Ananostopoulos   | 116 |
| Three Phases of Maneuvers, by L. Dimakas  | 117 |

## ECONOMIC

### BELGIUM

|  |     |
|--|-----|
| Volksunie's Schiltz on Unemployment, Coalitions, INF<br>(Hugo Schiltz Interview; KNACK, 15 May 85) ..... | 120 |
|--|-----|

## DENMARK

|  |     |
|--|-----|
| EC Congratulates Country on Unemployment Fight<br>(BERLINGSKE TIDENDE, 6, 8 Jul 85) .....                      | 128 |
| More Jobs Created  | 128 |
| Improvement Over 1984  | 129 |
| Statistics Agency Cites Improved Employment, Wage Figures<br>(Henrik Skov; BERLINGSKE TIDENDE, 5 Jul 85) ..... | 130 |

## GREECE

|   |     |
|---|-----|
| Public Enterprises Deficit Mounts<br>(MESIMVRINI, 7 Jun 85) ..... | 132 |
|---|-----|

## ICELAND

|  |     |
|--|-----|
| Prime Minister, Party Leaders Discuss Debt Burden<br>(MORGUNBLADID, 12 Jun 85) ..... | 134 |
| Severe Drop in Export Earnings Since 1980<br>(MORGUNBLADID, 11 Jun 85) .....         | 136 |

## PORTUGAL

|  |     |
|--|-----|
| Improved Foreign Exchange Situation Hides Problem<br>(F. Sarsfield Cabral; SEMANARIO, 15 Jun 85) ..... | 139 |
| Steady Rise Noted in Unemployment Rate<br>(DIARIO DE NOTICIAS, 20 Jun 85) .....                        | 141 |
| Briefs   |     |
| May Inflation Rate Slowed  | 143 |
| Emigrants' Remittances Decrease  | 143 |

## ENERGY

### NORWAY

|  |     |
|--|-----|
| Energy Minister Sees Role for Foreign Firms in New Fields<br>(Elisabeth Holte; AFTENPOSTEN, 19 Jun 85) .....   | 144 |
| Drilling Start in New Field May Incur OPEC Anger<br>(Flemming Dahl, Morten Woldsdal; AFTENPOSTEN, 3 Jul 85) .. | 146 |

POLITICAL

BELGIUM

# COMMENTATOR ON POSSIBLE COALITIONS AFTER ELECTION

Brussels DE STANDAARD in Dutch 24 May 85 p 1

[Editorial: "Chilly Premonitions"]

[Text] On which coalition will the next government be based? The discussion is starting early. It looks as if the policymaking politicians want to explore the territory already before the vacation period, during which things will remain very quiet for some time. Otherwise why would there be so much nervous controversy about possibilities and conjectures which still have to face a long autumn?

The nervousness is noticeable everywhere, but especially on the part of the socialists. During the past months a feeling of near-certainty has arisen: doubtlessly we'll be back in the government again. The opinion polls turned out to be disadvantageous to the parties of the coalition and from those it was decided that Wilfried Martens would no longer command a center-right majority after 8 December. Then the way would be open for the return of the Left to the government and, very possibly, for a cabinet under socialist leadership. In the past few weeks faith in that development has seriously decreased, however. Hence the uneasiness.

The left realizes that the personal position of Premier Martens--in spite of the wear and tear of 42 months of thankless toil--remains very strong. The government leader can permit himself, also with a view to the elections, to state that his recovery policy retains absolute priority and that --if the voter renews his faith--he will continue that with the next government. He adds that he won't team up with the socialists.

The left has also found out recently that the Catholic part of the population still reacts very energetically from an inspired Christian vision, so that certain expectations for electoral laicization are being tempered. It is no longer so very certain that a mass of believers who fled from the Church is waiting impatiently to vote for red. In the socialist family, questions are being raised on the coming of the Christian "progressives" in the party and on the true meaning of their contribution and representativeness. We are not far removed from a cost-profit analysis.

In the Francophone region of the country the left fears the dynamism of a liberalism which is setting itself up as an alternative for a leftism which has not been able to save the Walloon region. One considers the possibility of an advance of Jean Gol's party, which might be able to compensate for a potential weakening of the coalition in Flanders.

The most important reason for concern still lies elsewhere, however. The socialists watch with increasing resentment what is called the start of a rapprochement between the Flemish Christian democrats and the People's Union. Not so very long ago Van Miert considered the nationalists to be allies, an extension of the so-called progressive front. Weren't the SP [Socialist Party] and VU [People's Union] obsessed by the same aversion to the CVP [Flemish Social Christian Party]? For that matter, some nationalists created the impression that they would like to support a leftist coalition. But since recently the emotional tie of the People's Union with the anti-CVP forces has made way for a more practical analysis. Anciaux and [Flemish Budget Minister] Schiltz [VU] disassociate themselves from the economic concepts of the left. Their position is close to the recovery-approach of the Flemish Christian democrats.

If the People's Union were to join the next center coalition, then that government would have a comfortable majority. The socialist family then is in danger of remaining in the cold again for many years. The prospects makes them shiver.

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CSO: 3614/91



POLITICAL

CYPRUS

BRIEFS

KYP REORGANIZATION--The Central Information Service will be reorganized in order to face more efficiently its difficult mission, because it has been ascertained that its present form is affected by a number of weaknesses, especially in the gathering of information regarding state security. The changes, which are reportedly on a large scale, are expected to take place very soon and will cover many positions within the service. The issue has already been discussed between President Kyprianou, Interior Minister Nikolaidis, KYP Director Adratziotis and other KYP officials. Such changes had been viewed for some time, but the internal situation has prevented their full implementation. The thought of bringing back into the service a number of former officials whose contribution would be essential at this time has also been entertained. At any rate, the reorganization of the KYP will be discussed among the competent officials very soon, as it is generally agreed that the sooner it takes place, the better. [Excerpt]  
[Nicosia 0 AGON in Greek 17 Jun 85 p 1]

CSO: 3521/286

POLITICAL

GREECE

GOVERNMENT RESTRUCTURING SEEN BENEFITING PAPANDREOU

Athens I KATHIMERINI in Greek 4 Jul 85 pp 1, 3

[Text] The absolute exercising of power is concentrated within the entourage of Premier A. Papandreou by the bill on the Council of Ministers which was presented yesterday to the Chamber of Deputies. This is the conclusion arrived at by political observers in assessing the structure and manner of operation of the new Council of Ministers, which has a potential of exceeding 43 members inclusive of the deputy premiers, the alternates to the premier, the ministers, and the deputy ministers. More specifically, with its new structure the Council of Ministers includes the premier as the chairman plus 18 ministers. One can add to these 19 members the deputy premiers and the alternates to the premier (this title is a translation into demotic of the title of minister attached to the premier), the four alternate ministers (two in the Ministry of Foreign Affairs and one each in the Ministry of National Defense and Ministry of Finance), and the three ministers without portfolio. The deputy ministers are limited to 18 and are not members of the Council of Ministers. In order to take the edge off the impression caused by the excessive number of ministers, the government stated that not all these posts are going to be filled.

In line with the general spirit of the new bill, the services subordinate to the premier are being expanded. These services "can be developed from rudimentary and unfunctional structures into a functional system providing substantial aid to the office of the premier, after the model of all the advanced countries" it is stated in the bill's introductory section. The work of the premier's consultants, who are being transformed in this way to primary agencies of power, is supplemented by the reorganization of the services under the Secretariat of the Council of Ministers, which is subordinate to the general director of the premier's Political Office.

Likewise following the expansion of jurisdictions of the premier's advisers, the following are gaining substantial power:

1. The Ministry of the Interior, to which the Ministry of Public Order is being subordinated, and which will have Koutsogiorgas as its minister.
2. The Ministry of Justice, which is having transferred to it the jurisdictions of the Audit Office from the Ministry to the Premier and the Legal Administration Services from the Ministry of Finance.

With these two ministries, the exclusive control over public security, the justice system, and local self-government is being exercised by way of the concentration of jurisdictions in only two persons.

3. The Ministry of Culture, which is being transformed into a propaganda organ via its cultural and other related activities. The Ministry of Culture will have transferred to it from the Ministry to the Premier the General Secretariat for Greeks Residing Abroad and the General Secretariat of Athletics, and also the services for the young generation, and from the Ministry of Education the General Secretariat of Continuing Public Education, which in practice is within the jurisdiction of the premier's son, G. Papandreou.

#### In the Economic Sector

Substantive changes are being made in the domain of the economic ministries, with these also expressing the premier's inclination to balance off their influence and to give a portion of their power to the political ministries. The new situation now developing is reflected in his depriving the Ministry of National Economy of important jurisdictions and his upgrading of the ministries of commerce and industry. Thus, under the assumption that Ger. Arsenis will remain, the conclusion emerges that his position will be significantly weakened, since important responsibilities of the Ministry of National Economy are passing to the ministries of industry (industrial policy for the private sector and the implementation of the investment statutes) and commerce (foreign trade and government procurements).

This reallocation--beyond the fact that it reflects Papandreou's well-known practice of pruning away the excess powers of his ministers when he fears that these can become sources [? word illegible] of more general influence--shows at the same time his keen anxieties about the course the economy is taking. Indeed, the fact that now instead of a single "czar" there will be a larger number of ministers with responsibility indicates that the premier feels the need to parcel out decisive jurisdictions among more people, in the hope that in this way he will manage to avoid a worsening of the situation. The same tendency is reflected also in the formation of the Supreme Economic Policy Council (ASOP), one of the members of which will be the governor of the Bank of Greece.

#### The Ministries Being Merged

Finally, the following ministries are being merged:

- Ministry of Health and Welfare and Ministry of Social Insurance.
- YKhOP [Ministry of Zoning, Housing, and Environment], Ministry of Public Works.

Along with the merging of these, a new Ministry of the Aegean is being created.

Finally, the new bill provides for the creation of many posts of general secretary, with important jurisdictions replacing those formerly held by the deputy ministers. The jurisdictions of the advisers to the ministries are also being established in this bill.

The ministries of Foreign Affairs, of National Defense, of Northern Greece, and of Transport and Communications remain as they had been previously.

#### The Most Likely Ministers

According to reports, some names that may be filling the ministerial portfolios are:

- As minister to the premier, A. Tsokhatzopoulos, with D. Maroudas definitely being the deputy minister for the press.
- As minister of foreign affairs, Kharalambopoulos, with his deputy ministers being K. Papoulias and Th. Pangalos.
- The premier will remain as minister of defense, with his alternate being A. Drosogiannis.
- Arsenis remains minister of national economy, and it is regarded as certain that G. Katsifaras will be deputy minister on matters pertaining to the Merchant Marine.
- As minister of the interior and public order, A. Koutsogiorgas, with A. Tsouras as deputy minister. It has not been learned who the other deputy minister will be.
- G. Gennimatas as minister of health and welfare.
- The minister of justice will most likely be M. Papaioannou.
- Tsokhatzopoulos will probably retain oversight of the Ministry of Labor.
- As minister of industry, El. Veryvakis, with his deputy minister probably being P. Roumeliotis.
- The names of G. Pottakis and V. Papandreou are being heard as possibilities for the Ministry of Finance.
- For the YKhOP, the name of E. Kouloumbis is being heard.

#### The 18 Ministries

The ministries which the bill provides for are the following:

- a) Ministry to the Premier
- b) Ministry of Foreign Affairs
- c) of National Defense

- d) of National Economy
- e) of the Interior and Public Order
- f) of Health, Welfare, and Social Insurance
- g) of Justice
- h) of Education and Religions
- i) of Culture
- j) of Agriculture
- k) of Zoning, Housing, and the Environment
- l) of Labor
- m) of Industry, Energy, and Technology
- n) of Finance
- o) of Commerce
- p) of Transport and Communications
- q) of the Aegean
- r) of Northern Greece

The other posts of alternate ministers, ministers without portfolio, and deputy ministers are the following:

- a) Two posts of alternate minister in the Ministry of Foreign Affairs and one post of alternate minister each in the Ministries of National Defense and Finance.
- b) Three posts of minister without portfolio.
- c) Two posts of deputy minister each in the Ministries to the Premier, of National Economy, of Health and Welfare, of the Interior and Public Order, and of Culture, and one post of deputy minister each in the Ministries of National Defense; Education and Religions; Agriculture; Zoning, Housing, and the Environment; Labor; Industry, Energy, and Technology; Commerce; and Transport and Communications.

In addition, by a decision of the premier which is being published in the *Efimeris tis Kyverniseos* [Official Gazette], other posts of alternate ministers, of ministers without portfolio, and of deputy ministers can be formed, and existing posts can be abolished and transferred from one ministry to another. By a similar decision, a post of alternate minister to the premier can be formed provided that in accordance with Article 24, Paragraph 4, the Ministry to the Premier is abolished and there is no appointed deputy premier or a post of deputy minister to the premier. The post of alternate minister to the premier is abolished ipso jure whenever a deputy premier is appointed or in case the Ministry to the Premier is re-established.

No ministry can have more than two posts of alternate minister and three posts of deputy minister.

The posts of minister attached to the premier, of alternate ministers, of ministers without portfolio, and of deputy ministers which exist at the commencement of this law are abolished. It is said that the post of alternate minister which was formed by Presidential Decree Number 1/1984

is viewed as having continued to exist uninterruptedly until the commencement of effectiveness of this law.

### The Jurisdictions

The jurisdictions for each ministry are apportioned as follows:

#### 1. Ministry to the Premier

- Has the administrative care over the services to the premier.
- Has the responsibility for the press and radio-television.
- Has jurisdiction in the sector of public administration and administrative reform.
- Handles matters of mechanized accounting and use of information in the public sector.
- Handles the education and training of public administration officials.
- Has the coordinating supervision over implementing the laws and rules for the organization and functioning of the public administration.
- Has supervision over the General Secretariat for Sexual Equality and the General Secretariat of the Press and Information.

Two posts of deputy minister are provided, one on matters of the press--this minister will also be the government spokesman--and one on matters of public administration.

#### 2. Ministry of Foreign Affairs

This is retaining the jurisdictions that it already has.

Two posts of alternate minister are provided.

#### 3. Ministry of National Defense

It is retaining the jurisdictions that it already has.

One post of alternate minister and one post of deputy minister for economic matters in the military industry are provided for.

#### 5. Ministry of Foreign Affairs and Public Order

This has the jurisdictions that it already had, plus those of public order.

Two posts of deputy minister are provided, of which one will have the responsibility for public order.

The Port Corps will be gradually put under the sector of public order also, as the staffing of the Deputy Ministry of the Merchant Marine with civilian personnel goes forward.

#### 6. Ministry of Health, Welfare, and Social Insurance

This has the jurisdictions of the two corresponding ministries.

Two posts of deputy minister are provided, one for the sector of health and welfare, and one for social insurance.

#### 7. Ministry of Justice

This remains essentially as it is now.

#### 8. Ministry of National Education and Religions

This remains basically as it is, except for the addition of certain jurisdictions in the sector of research from the Ministry of Research and Technology, and the taking over of responsibility for the libraries and the historical archives from the Ministry of Culture.

One post of deputy minister is provided.

#### 9. Ministry of Culture

Besides the jurisdictions which it already had, it is assuming supervision over the following General Secretariats: For the young generation, of athletics, of continuing public education, and of Greeks residing abroad. Also it is taking over cultural matters related to tourism, for example the Festival, in cooperation with the EOT [Greek Tourist Organization].

Two posts of deputy minister are provided.

#### 10. Ministry of Agriculture

It is remaining essentially as it is now. One position of deputy minister is provided.

#### 11. Ministry of Zoning, Housing, and the Environment

The sector of public works is being added to the old YKhOP.

Thus, the new ministry has the responsibility for:

- the environment,
- zoning,
- city planning,
- the national cadastre,
- the policy on land use,
- housing and ekistic policy,
- public works,

- the National Zoning Council, and
- the Designers' Registry,
- the historical settlements and historical buildings (except for the historical monuments, which are subordinate to the Ministry of Culture).

One post of deputy minister is provided for public works and housing policy.

#### 16. Ministry of Transport and Communications

This retains the jurisdictions of the Ministry of Communications. It will be jointly responsible with the Ministry of Merchant Marine [sic] on matters of coastal shipping. One post of deputy minister is provided.

#### 17. Ministry of the Aegean

This has supervision over and responsibility for the coordination of all the government's services in this area and is jointly responsible with the competent ministries in each field with respect to every issue having to do with the Aegean.

#### 18. Ministry of Northern Greece

It has exactly the same jurisdictions as the previous ministry concerning matters of northern Greece, as well as the responsibility for the minority populations.

#### Government Statement

The following statement was made by a government spokesman:

"As for the number of ministers, this will not necessarily be equal to the number of ministries, because it may be decided to give certain ministers supervision over second ministries.

"Also no provision is being made to fill all the positions of deputy minister that are referred to in the relevant bill.

"The Council of Ministers will be composed of a relatively small number of members, because the members of the Council of Ministers will be only the ministers and the alternate ministers who will have the political responsibility for the sectors to which they have been assigned, and the deputy ministers will not be members.

"Finally, the posts of the two deputy premiers and the post of alternate minister to the premier are not going to be filled.

"It is clear that the bill covers the greatest possible composition of the Council of Ministers, but this potential makeup is not going to be filled in its entirety.



"Beyond all these things, it should be noted that in the report of the General State Accounting Office it is stated that when this governmental system is fully assembled, expenditures will decrease by 325 million drachmas annually."

The New Democracy Party

The New Democracy announced the following concerning the new bill:

"The New Democracy notes that despite its boastful proclamations about a reduced number of ministers, alternates, and deputy ministers, in the last analysis the government is starting out with a number of 40.

"With respect to this bill, the New Democracy is deferring the expressing of its views until after it has studied the bill."

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CSO: 3521/291

POLITICAL

GREECE

# PASOK VICTORY INTERPRETATION: COMMENTS

## Dual Identity of PASOK

Athens KYRIAKATIKI ELEVTHEROTYPIA in Greek 9 Jun 85 p 40

[Excerpts] Last Sunday the computer accurately revealed how the Greek people voted. It provided numbers, percentages, maps with green and blue colors.

It showed what happened and how it happened. However, no one, be it an electronic or a human brain, was able to provide an answer to the question of why what happened occurred the way it did. And this is the enormous question of the 2 June elections.

What is this 46 percent? Which PASOK carried 46 percent of the Greek people?

Because there are at least two PASOKs: There is the PASOK of the authoritarian political leanings; there is the PASOK of arrogant power; there is the PASOK which considers the blue and the white as being the same thing; there is the PASOK of the "You have no right to speak because we won the prize of the change"; there is the PASOK of Article 4; there is the PASOK of the reinforced proportional vote which calls it simple; there is the PASOK which characterized the dissent of the Left as being a fellow-traveller of the Right; there is the PASOK which did not condemn the baseness of the preelectoral struggle.

There is also another PASOK that brought into power new social forces, the PASOK that went forward with a policy of effective redistribution of income in favor of the economically weaker classes, the PASOK which went forward with an extensive program of decentralization and strengthening of the provinces; the PASOK that is trying to lay the foundations for a new health-care system; the PASOK that built schools, that prepared effective programs for the youth and senior citizens; the PASOK that went forward by taking steps for the updating of social programs; the PASOK that buried, once and for all, the Civil War by recognizing the national resistance.

Thus, the question is which of these two faces of PASOK obtained the 46 percent: the first, the second or both?

The answer is not easy. Greece is a country that, as is said, gave birth to democracy, but for the greater part of its free life her relations with it have not always been the best. There are Greeks who are not satisfied with winning, but who also want to exterminate. To what degree are they represented and included in the 46 percent? This is the dilemma.

There are also other Greeks. Our fellow-citizens who since 1981 felt that something had really changed in this country, who for years on end fought for democratic freedoms, for more just social conditions, who abhor totalitarianism and political monologue, who reject arrogance, who recognize for their political opponent not only his right to exist, but have his word respected even if they disagree. There are Greeks who do not identify themselves with the traditional Greek ruling class, who want progress and democratic and free development of this society. To what degree are they represented and included in the 46 percent? Here is the second question.

Simple arithmetic and mere addition indicate that the social forces that gave PASOK the new mandate contain within them both of these categories. They also include the best and more lively nuclei of the Greek people, they also include those individuals who have, through the years, become used to political authoritarianism so that they are no longer bothered by it.

It is precisely here where PASOK's great strength and great weakness are to be found. It is here where the great strength and great weakness of the 46 percent are to be found. It is here where the two contradictory faces of PASOK are to be found: Contradictory not only in its popular base, but contradictory even at the top, in the leadership that does not remain uninfluenced by this peculiar phenomenon which, in the final analysis, reproduces it and converts it into political rhetoric and political action.

If this is the situation, if this analysis comes close to reality, then the time in which we are living has a special meaning. It has a meaning because it is now that the foundations of the new 4-year term are being laid, that the decisions that are going to be definitive for the developments are being made. Decisions at a personal level and at a governmental level.

PASOK won a landslide victory. In 1981, it received a trial mandate. In 1985, the Greek people, by a large majority vote, approved and ratified the decisions. The trial mandate became definitive for the next 4-year term. Certainly the positive points of the 4-year period definitely weighed in the judgment of the electoral body. The Greek people overlooked the negative aspects in favor of the positive ones.

Did they indeed overlook them or were they not at all concerned by them? This is the last dilemma and the last question. In the case of the former, PASOK's popular mandate is not without reservations. If, however, the negative points concern only some intellectuals of the centrist factions, then the mandate is unconditional. In that case, we, as a certain faction in PASOK says, "We do not have the right to speak."

Of all of this, what is taking place? Whatever the message of 2 June is it is up to Mr. Andreas Papandreou and his close collaborators to judge. And the interpretations will become apparent within the next few weeks as a result of the strategy they will follow.

#### Pillage of the Leftist Vote

Athens ELEUTHEROTYPIA in Greek 8 Jun 85 p 9

[Excerpts] If one had had to characterize last Sunday's elections concisely, one might say it was "the battle for the spoils of the Left." If one removes

the frills and, naturally, the little plastic flags, this truth appears naked. A truth, which, from any direction it is looked at, is the result of normal and inevitable consequence of the crucially important choice of PASOK, not only for not establishing the simple proportional system, but for adopting an electoral system that automatically made New Democracy a contender for the power with strong possibilities for success.

This choice of PASOK was absolutely deliberate and cannot be justified by the various euphemistic--both official and unofficial--embellishments. It was not a matter of and "error" nor, of course, of the need to strengthen itself as a presupposition "for the continuation of PASOK's program." The matter goes much deeper from the point of view of the strategy of PASOK's leadership and it involves the following points:

First: in making its policy conservative in order to move towards becoming more "centrist" without abandoning its socialist charisma or socialist veneer;

Second: in the definitive abandonment of all the positions of the 1981 elections regarding NATO, the bases, EEC and the resulting full normalization of relations with the Americans;

Third: in the full and unadorned adoption of the "open" economy, that is, an economy without structural interventions of a truly socialist character.

Both the premier's press conference with the NEW YORK TIMES regarding the alleged indifference of the average Greek about "foreign" matters and what he said at the press conference during the electoral campaign about an open economy are especially revealing from this point of view.

It is a matter of displacements that in effect completely alter the initial aspect of PASOK and dissolve the clear dividing lines between it and ND to a point of diluting and confounding the ideological-political front.

Here was the problem for PASOK's leadership. This change, which had been evident for a long time in the intentions of its president to those who could and wanted to see it could not be slipped by them unless a bipolar, polarizing political game were developed, based on black and white logic in which the leftist voter would be embroiled if, at the same time, the Left was not downgraded as a political dimension capable of effectively interposing itself.

The electoral battle was waged beneath the specter of the threat of the return of the Right, a fact that caused the ability to understand the entire political scenario, which is and remains PASOK's fundamental choice for the electoral system, to be forgotten or be set aside in the average voter's mind, that is, the rejection of the simple proportional system.

The "defeat syndrome" was reactivated in the leftist voter and it still possesses him psychologically after 40 years along with a primordial mentality to which he was led and from the choices of his leadership in the past. On the other hand, he could not forget that under PASOK he definitely ceased being a second-class

citizen and a blight, something that PASOK's electoral propaganda naturally exploited to the utmost, with the result of operating in a climate of generalized fear, a fear that led to the belief that the defeat or victory of ND depended on his vote, which was precisely what PASOK's electoral campaign was trying to achieve.

On the other hand, ND contributed to this looting of the votes of the Left not only because it raised the subject of the presidency and, because with Karamanlis' letter, it gave the impression of the formation of an all-Right front, and because of the rabid and aggressive tone of its electoral campaign. Every non-rightist, young or old, leftist or PASOK follower, felt deeply threatened by the hordes of raging fanatics--quite often very well known because of a very dark past--who "promised" revenge on Monday morning.

PASOK, therefore, won the most easily lured segment of "the leftist spoils" by also using the government apparatus and the "special grants" on a scale and in a way that would have made the virtuosos of the old partisanship envious. It would have won by a small margin even without the "leftist spoils," but then the rules of the game would have been different. Without a comfortable majority it could not easily change and it knew this very well.

It won an unquestionable victory against the Left, a tactical victory, though, not a strategic one, as it would have liked, thanks to the defection of many forces and leaders to the KKE. It was unable to whittle it down to 6 percent as was its stated goal.

It would not have obtained even this short-lived shrinkage first, if the Left had severed its acceptance of the PASOK government much sooner; second, if it had supported Sartzetakis' candidacy only under the condition of passing the simple proportional system; and third, if it had had the possibility of correct and timely information for the citizen with the development of a correct and up-to-date leftist debate.

This, with regard to the past. As far as the future is concerned, matters will not be simple despite the comfortable margin. The vote that a large portion of the people gave PASOK--and by its old followers too--was given on condition, a fact that will show up in the next municipal elections.

The premier refused to be committed to the subject of the simple proportional system and, naturally, will not let it become law. Mr. Karamanlis does not exist politically, either in reality or as a has-been. The conservative transformations of PASOK will not go unnoticed now that the fear of the Right does not exist. Despite last Sunday's triumph, the game is still in progress.

9731

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POLITICAL

GREECE

#### REASONS CITED FOR PASOK INCREASE AT POLLS

Athens POLITIKA THEMATA in Greek 14-20 Jun 85 p 19

/Article by Gerasimos Apostolatos: "The Question..."

/Excerpt/ ...The question remains: For which PASOK, one wonders, did the "mature" voter cast his vote on 2 June? It would be worth the trouble to undertake a pan-Hellenic polling campaign to find the answer to this question. We would thus know how the "brain" of 46 percent of the electorate functioned.

Of course, many argue that it did not function completely and that the criticism by cadres of the major opposition about their party's defeat is of relevant significance. But if we let ourselves be satisfied with the idea that the PASOK followers and voters suffered from abnormal brain functioning then we would lose the opportunity to put the finger on some other assessments concerning the result of the recent elections. The compass needle of the pre-election predictions has shifted so much that the 2nd of June 1985 appears like "a Bermuda electoral triangle" as concerns the general and regional election results. More particularly:

a) It was considered as fact that PASOK's decay in the urban centers would be impressive. The 1984 Euroelections had given tangible indications that the voters of the big cities had changed their preferences.

In the Athens First District, PASOK received 44 percent of the votes and ND 33 percent. In the 1984 Euroelections the results were reversed with PASOK receiving 34 percent and ND 40 percent. All signs pointed that the distance in these percentages would become greater by June 1985. The 6 percentage points the major opposition enjoyed would be increased.

This past year the housewife returned home from the market with an emptier basket. Even the Syndagma Square floodlights were unable to light the dark tunnel of the economic dead end in the nearby Ministry of Finance. Yet, the June 1985 election results in the Athens First District were completely unexpected: the distance between the two parties was narrowed to just 3.5 percent (41-44.5 percent) and the ND was just about able to elect 10 deputies (compared to 12 PASOK elected in 1981 with the same percentage).

b) The same reversal was also observed in Piraeus and Salonica. While in urban areas PASOK led by 3.5 percent in the Euroelections, its lead in June 1985 was 6.5 percent!

c) By contrast, in the semi-urban areas which do not experience the same tribulations of prices and the indignation of various professional groups (taxi drivers, doctors, lawyers, etc.), ND had a rise in its national average of 43.3 percent.

d) While until now the preference of women for conservative parties was considered a given, in the June 1985 elections PASOK received 45.9 percent of the votes in the women's voting units compared to 44.6 in the men's units.

e) The communist voters showed preference for PASOK not in the rural areas where KKE had no chance of electing a deputy and therefore such preference could be justified, but in urban areas where KKE was strong and could increase the number of its deputies. In these areas KKE lost 2.1 percent of the votes while in the rural areas it lost only 0.7 percent.

f) It is generally accepted that the islands impressively supported PASOK. Yet, there PASOK lost three parliamentary seats.

g) Makedonia and Thraki, which were reported as areas where ND could show an impressive rise, gave poor results. ND won two seats but PASOK also won one.

In nomes which were considered "undecided", such as that of Kavala, PASOK broadened its predominance (5 percent).

PASOK had other successes in Makedonia: In Pieria, Drama (which it lost in the Euroelections), Pelland and Imathia. It also won back from ND the Salonica Second District.

In this confusion of political preferences by the voters, efforts will be made for several analyses and studies and even for psychiatric observations. Many will support the theory of allowing one more 4-year opportunity to PASOK in order to complete its task of Change. Others will criticize the unsuccessful opening to the Center by ND and its cold, technocratic and timid election campaign. Still others will attempt to justify a last-minute return to PASOK by centrist voters because they ostensibly were scared by the huge ND rally at Syndagma Square.

7520

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POLITICAL

GREECE

PASOK SAID TO HAVE CREATED 'GREAT IDEA'

Athens I KATHIMERINI in Greek 12 Jul 85 p 4

[Article by G. Karagiorgas: "Findings"]

[Excerpts] The persecution of those who are not partisans of the PASOK, as denounced by the ND, the proposal presented to the Chamber of Deputies for lifting the permanent status of civil servants, and the arrogance of power displayed by the government must not seem strange. This is not a coincidence.

To clearly define the present image of the PASOK and to explain the success it is meeting with--as well as the fact that large masses of the people go along with its failures, to the great surprise of the other parties--certain elements of its so-called "philosophy" must be interpreted first.

No one can contest the fact that, from the first day of his return from the United States, its leader impressed the people with new tendencies, innovative ideas, audacious plans and initiatives which, in the end, brought about a confrontation between him and his equally progressive father.

At that time, he had been viewed as a simple, ambitious and troublesome politician. However, the gravity of his then political philosophy intended to destroy the old political principles is only now beginning to be decoded, since his ideas of the time have been converted into a movement, a party and power.

The meaning of the state, as it was formed after the liberation by the first governments after the [German] occupation, was symbolized more by the armed forces than by the constitution. The reason: the communist movements and the 5-year compulsory mobilization of the Greek people, already heavily burdened by the war in Albania, the occupation and the December revolution, followed by the new painful civil war of the Grammos.

For a long time, each partisan of the right or of the left was proud--each from his own point of view--of his army. Very few succeeded in escaping the influence of this army-symbol, which was also being elevated to dizzying heights by alliances on both sides.



The symbol of the armed forces, with the shining brightness of the Albanian campaign, the Grammos and the Vitsi victories, the war in the Middle East, acquired special meaning in the nation's difficult attempt to stand on its own feet in the midst of old and new ruins and of the blood of a savage and useless civil war.

Politics and the army became one, because politics were powerless. The army was ordered to distribute food to displaced populations, to reach unreachable areas in natural disasters, to distribute tents to the homeless, to lend its own bakeries, to establish refugee camps, to grant medical assistance, to create communications and transportation means.

This, however, temporarily changed its mission, which consists in its readiness to protect the country against a foreign attack. It became a supplier, a builder, a farmer, and this lasted even until later, when the government apparatus had finally acquired a meaningful political leadership.

From being an organ of the political power, it had become its master, because politicians relied on it for electoral victory whenever the outcome at the polls seemed doubtful.

The army fatefully became the conscience of the people, a symbol of unity, power, security and peace. Devoid of strength, funds and means, the political power contributed very little to the effectiveness of the army. But even when it gained its own strength, it resorted, for the neutralization of its adversaries, to the leadership of the army, which it had appointed and transformed into a servant of politics itself.

This is the point of the vicious circle at which Andreas Papandreou first appeared, bringing new ideas which found immediate resonance among a people thirsting for any kind of improvement. Especially among the vanquished. Among those who had become victims of electoral fraud, electoral violence, electoral arbitrariness perpetrated by para-state, para-military groups. And the percentage of the downtrodden suffering under the post-war aspect of the state--the "establishment," as it was called by Mr Papandreou--was not small.

Each time that the new politician, who had been imposed as a phenomenon by the establishment itself, who would bring back to life a moribund economy, attacked this establishment, he shook with holy anger. His message easily penetrated the masses, as a promise for a new way of life. The disregard of the progressive forces, the defeats, all had to be translated into a complete victory entailing the destruction of the establishment, which became the focus for all accusations regarding the reason for all ills.

After the colonels' coup d'etat, he changed its name. The establishment became the "Right," and he condemned it for the 7-year junta. This became a new symbol living in the imagination and the feelings, not only of the partisans of the PASOK (hope), but also of a large part of the bourgeoisie.

With the term "Right," he opened a wound which he has been attempting to keep festering. He denounces the "right" at every opportunity, in order to keep the wound open and to remind the people of the traumatic experiences in past disappointments. He has likened it to every kind of bitterness, anger, indifference, injustice, and management, weakness. Only its death will heal the wound, bring manna from heaven and take advantage of ignored worth. In other words: he has created a "great idea" for simple people. This explains the blind fanaticism of his followers, be they poor, rich, millionaires or destitute. With the slogan "allagi," with the green sun of hope, he reiterates the symbolism of the promise, which, however, could not realize itself without the death of the "Right" This is an invention which secures for him limitless timetables of tolerance by his followers, since conservative principles never die.

But the phenomenon of messianism cannot be taken on only by rhetoric. Only a meaningful revolution will dissolve it.

Just like "logical practicality kills rhetoric."

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POLITICAL

GREECE

BIOGRAPHIC DATA FOR FIRST-TIME PASOK DEPUTIES

Athens EXORMISI TIS KYRIAKIS in Greek 7 Jun 85 pp 11-20

/Excerpts/ First District of Athens

Kalliopi Bourdara, daughter of Georgios. Born in Athens. Studied law in Athens and sociology and psychology at the College. Member of the International Relations Committee of the Movement, founding member of the EGE /Union of Greek Women/, EGE president (1980-1982) and member of the EGE Panhellenic administrative council. She is vice president of the Association of Greek Professional Women and president of the administrative council of the National Welfare Organization from 1982 until the present. Member of the Greek-Czechoslovak Alliance.

Second District of Athens

Ioannis Zigdis, son of Georgios. Born in Lindos, Rhodes, in 1913. Studies in economic and political sciences. During the dictatorship period, he was arrested for the first time in June 1967 and then released on 23 December 1967. In April 1970, he was sentenced by the junta to 4-1/2 years imprisonment and remained at the Korydallos prison until 22 January 1973. He was the inspirer of the establishment of the two committees for the Reestablishment of Democratic Legality that were set up during the Papadopoulos plebescite of 29 July 1973.

Georgios Alexandros Mangakis, son of Andonios. Born in Athens in 1922. Studied law. He was arrested in July 1969 on bombing charges and remained at the Boumboulina security for 4-1/2 months and after his trial he was imprisoned. He was released from prison in March 1972 and fled to Germany where he continued his anti-dictatorship struggle. He was director of the National Bank until his appointment as minister.

Kimonas Koulouris, son of Aristotelis. Born in 1940 in Levkimi, Kerkyra. DEI /Public Power Corporation/ employee. After his discharge from the DEI in 1967 he went to England where he immediately joined PAK /Panhellenic Liberation Movement/. He was one of the founding PASOK cadres, member of all the elected central committees of the Movement. He was a member of the three-man organizational secretariat, a basic cadre of the election campaign committee and since 1975 secretary of the Mobilizations Committee. Secretary general of athletics in the Government of Change.

Kostas Bandouvas, son of Ioannis. Born in 1933 in Irakleion, Crete. Studies in political science and law. He was in the front line of those in the liberation struggle of Cyprus. He was twice an EDIK /Democratic Center Union/ deputy and its parliamentary representative in the Chamber of Deputies until 18 October 1981. He was an independent candidate of the Democratic Center in October 1981.

Rena Lambraki, daughter of Andreas. Born in 1941 in Ioannina. Founding member of PASOK and member of the central committee. Deputy in the Second District of Athens in 1977 and 1981.

Dimitrios Pagoropoulos, son of Ioannis. Born in 1931 in Athens. Lawyer, legal adviser of EXORMISIS, PASKE /Panhellenic Militant Workers Trade Union Movement/ and GENOP /expansion unknown/-DEI /Public Power Corporation/. Member of the trade union committee and chairman of the central committee disciplinary council.

Giannis Kharalambous, son of Nikolaos. Born in 1941 in Athens. Lawyer. Member of the AEK /expansion unknown/ and the DSA /Athens Bar Association/. Municipal councilor of Nea Ionia municipality in 1975 and PASOK candidate for deputy in 1977. Deputy of the Second District of Athens in 1981.

#### First District of Piraeus

Kostas Simitis, son of Georgios. Born in Athens. Studied economic and political science in Athens and Germany. Was very active during the period of the dictatorship and worked together with Andreas Papandreou abroad. He is a professor of commercial law at the Pandeion. He is one of the founding members of PASOK. He is a member of the party's central committee executive office. Minister of agriculture in the Government of Change.

Vasilis Saranditis, son of Ioannis. Born in 1938 in Neapoli, Lakonia. Lawyer. Secretary general of the Ministry of Merchant Marine. President of the Arab-Greek Chamber of Commerce and Development.

#### Second District of Piraeus

Manlis Glezos, son of Nikolaos. Born in 1922 in Naxos. Studied at the ASOEE /Advanced School of Economic and Commercial Sciences/. Journalist. While still a student in 1941, he pulled down the swastika flag from the Acropolis. He was either in prison or exile for 16 years. He was secretary of the EDA /United Democratic Left/ administrative committee in 1980, a long-time member of this party and its current president.

#### Fthiotis

Andonis Drosogiannis, son of Dimitrios. Born in 1920 in Dafni, Fthiotis. He studied at the Army Academy and became a lieutenant after the Albanian war and then fled to the Middle East. Until his retirement by the dictatorship he served in various battle units and in staff positions. He had an active role in resistance to the junta, was arrested and then imprisoned and exiled. After the dictatorship he was reinstated and received the grade of lieutenant general. He was alternate minister of national defense in the Government of Change.

### Zakynthos

Dimitris Maroudas, son of Ioannis. Born in 1927 in Zakynthos. Journalist. Graduate of the Advanced Commercial School and member of the ESIEA /Union of Athens Daily Newspaper Editors/. Director of the PASOK Press Office and manager of EXORMISIS. In 1965, he was co-editor of the newspaper ANENDOTOS. He was arrested by the dictatorship and held prisoner at Goudi. He was deputy. He was deputy minister to the president's press office under the Government of Change.

### Arta

Alexandros Liarokapis, son of Dimitrios. Born in 1928 in Arta. Lawyer. He was member of the EPEK /National Progressive Union of the Center/ Youth Central Committee (1952-1954), member of the administrative committee of the Arta association "Skoufas." Member of PAK /Panhellenic Liberation Movement/ during the dictatorship and PASOK deputy in 1977. Graduate degree in law and political and economic science.

### Ioannina

Levteris Glivanos, son of Georgios. Born in 1935 in Ioannina. Oenologist and chemist. President of the Union of Greek Oenologists. Member of the administrative committee of the International Union of Oenologists. Secretary general of the Association of Emigrant Residents of Ioannina and member of the Cooperative Committee of Farmers.

### Kozani

Merkouris Kyratsous, son of Georgios. Born in 1923, Lawyer. Former member of the Kozani Bar Association administrative committee. Kozani municipal councilor. Kozani mayor. Dismissed by the junta. Member of the socialist party youth ELD /Popular Democratic Union/. Member of the EPON /National Panhellenic Youth Organization/ during the occupation. Secretary general of the Ministry of Northern Greece during the Government of Change.

### Kastoria

Filippos Petsalnikos, son of Ioannis. Born in 1950. Lawyer. President of the Association of Greek Students in Bonn. Vice President of the Greek community of Bonn. President of the Association of Foreign Students at the University of Bonn. Worked with PAK /Panhellenic Liberation Movement/ and has been a PASOK member since its establishment. Secretary of popular education under the Government of Change.

### Kilkis

Dimosthenis Papadopoulos, son of Thomas. Born in 1929 in Kilkis. Lawyer. Joined the Agrarian Party in 1958. Elected EK /Center Union/ party deputy in 1961, 1963 and 1964.

### Khalkidiki

Lazaros Boulakis, son of Dimitrios. Born in 1924 in Vavdo, Khalkidiki. Lawyer. President of the Khalkidiki Bar Association until 1985. Dismissed by the junta. Founding PASOK member and candidate in the 1974 elections. Polygyros municipal councilor. PASOK candidate for mayor in the last municipal elections.

### Evros

Giorgos Andonakoudis, son of Dimitrios. Born in 1944. Civil engineer. Public works contractor. Graduate in physics. President of the Association of Graduate Engineers of Evros. Elected nome councilor (1979-1981). Member of EDIN /Greek Democratic Youth/ during the occupation. First secretary of the NE /Nome Committee/ (1979-1981).

### Xanthi

Ahmet Fayoglu, son of Fayik. Born in 1947 in Xanthi. Employee. Former president of the Association of Indigent Muslims of Xanthi Nome. Municipal councilor. Involved in anti-dictatorship activities during the dictatorship. Secretary of the mufti association.

### Lesvos

Levteris Kiosklis, son of Kimon. Born in 1913 in Lesvos. Lawyer. He joined the EAM /National Liberation Front/ during the occupation. After the occupation he was exiled to Makronisos and Ikaria until 1949. Member of EDA /United Democratic Left/ and PASOK member since its establishment. In 1977, he was elected PASOK deputy. former IKA /Social Insurance Foundation/ director.

### Deputies at Large

Georgios Mavros, son of Ioannis. Born in 1909 in Dodekanisos (Kastelorizo). Lawyer. He was a member of all the democratic governments in the post-war period. Vice President of the National Unity Government in 1974. Since 1974 he was the leader of the Union of the Center and was head of the government opposition in the Chamber of Deputies until 1977. In October 1981, he was elected first deputy at large on the PASOK ticket.

Nikolaos Psaroudakis, son of Stavros. Born in 1917 in Apodoulos Amariou, Rethymnon, Crete. His parents were farmers. He was editor of the newspaper KHRISTIANIKI DIMOKRATIA from 1953 to 1981. He was the founder of the Christian Democratic movement "Khristianiki Dimokratia." During the dictatorship, specifically on 21 April 1967, he was arrested, sentenced and exiled to Gyaros. The newspaper KHRISTIANIKI DIMOKRATIA was shut down by the ESA /Greek Military Police/.

Gerasimos Arsenis, son of Dionysios. Born in 1931 in Argostoli, Kefallinia. Economist. He was an adviser to various progressive movements in South and Central America, such as the Allende in Chile. Director of the Bank of Greece from 3 November 1981 until February 1984. Minister of National Economy since July 1982. Also took over the Ministry of Finance since March 1984. He worked with the PAK /Panhellenic Liberation Movement/ in America.

Vaso Papandreou, daughter of Andreas. Born in Valimitika. Economist. She has been president of EOMMEX /National Organization of Small and Medium-Size Enterprises and Handicrafts/ since December 1981. She was active in trade union affairs in the ASOEE /Advanced School of Economic and Commercial Sciences/. When the dictatorship took over she went to England where she became a member of PAK /Panhellenic Liberation Movement/. She is one of the founding members of PASOK and member of the central committee. Since 1984, she has been a member of the PASOK Central Committee's executive office.

POLITICAL

GREECE

STRONG FERMENT REPORTED IN KKE GRASSROOTS

Athens ANDI in Greek 21 Jun 85 pp 10-11

/Article by Stelios Kouloglou: "Arms to Order"/

/Text/ "In the final analysis, is it not necessary to reconsider how the Left and the leftists are being defined and shaped in 1985?" Fortunately, this time the question is not being raised by ANDI but by M. Androulakis, the KKE Central Committee press officer, in an article he published in RIZOSPASTIS (16 June 1985). As a matter of fact, this question is the basis of the introduction and main body of the article itself.

However, his effort is in vain since the answer has already been given. KKE may have lost its capacity to adjust to modern demands and its ability to accept self criticism; it may be losing followers and voters, but it has at its disposal the most important weapon of all communist parties which have failed to detach themselves from the "heroic era" of the Third International: it possesses a very strong mechanism of self defense and self sufficiency, a mechanism with which the handful of professional cadres close ranks and overcome any adversity in order for KKE to maintain its positions and face the "main enemy" who is invented at various times depending on the circumstances.

Thus, today KKE stands as the haven of party unity and unanimity: the Central Committee and the Central Council of the Greek Communist Youth /KNE/, the Athens City Committee, the Piraeus City Committee, the committees of the regional organizations, etc., unanimously arrive at a common conclusion: everything is well with KKE; "the party political influence steadily increases;" and as concerns the small electoral loss it suffered one should blame the evil PASOK for "delving into the past," for the "rapacious electoral law" and the "extortionary dilemmas."

These exact same arguments of the KKE Central Committee are being repeated with greater intensity and dogmatic air by the regional leaders who indeed favor such a position since they free themselves of any self criticism.

Otherwise, the Athens, Piraeus and Salonica City Committees would have to explain why the extortionary dilemmas and the rapacious, indeed electoral law did not affect Ipeiros, for instance, which is "perennially terrorized

by the Right," while on the contrary, they flourished in Athens where the simple proportional electoral system is in effect, the working class is concentrated, the political conscience is more developed, the social problems more acute, and PASOK's popularity is smaller than in the provinces.

Of course, to a large degree this unanimity is artificial. For instance, the members of the Central Committee (who, by the way, held a meeting only 3 days after the elections in order to avoid further breakdowns) strongly criticized, as they did at meetings before the elections, the mild policy KKE maintained towards the PASOK government. But, as a dissenting member of the Central Committee explained, in the end the decision was unanimously taken "in order for the party to appear united, and in order to avoid friction among the rank and file and attacks from outside the party."

This unanimity, however, does not favor everyone equally: When all decisions are against PASOK while calling at the same time for "new class struggles with new fervor," then only those are vindicated who for some time have been asking a "vertical confrontation:" "Why should I not vote for the Central Committee's decision," a known "neodogmatist" said, "when my own beliefs are expressed by it, albeit without self criticism?"

#### KNE Against "Revisionism"

Those having doubts about the above should read the "unanimous" decision of the KNE Central Committee (RIZOSPASTIS, 14 June 1985) since neither the young age nor the dogmatism of a KNE section explain that the KNE assessments and directions are more to the Left than those of KKE.

Therefore, to spite T. Mamatsis, a member of the KKE Political Office and close collaborator of [KKE Secretary General] Florakis to whom recently Farakos assigned the supervision of the party's youth, the KNE Central Council exercises a self criticism in a direction of a still greater ideological "purity": "the ideological training did not sufficiently prepare every comrade" so as to cope with the "systematic effort being done to curtail the KKE influence, role and prestige by distorting its positions, visions, and gains of the Soviet-style socialism" [extant socialism].

It is not only this style of socialism and Marxism-Leninism that appear in KNE text compared to that of the Central Committee. More still, while the latter avoids--for the first time--to directly or indirectly attack KKE-Int. and constantly mentions the "attack at the expense of the Left and especially of KKE" and PASOK's pre-election "anti-KKE and, in general, anti-leftist criticism," KNE ascertains delays in "repelling the substance of the views or neo-liberalism, reformism and revisionism." For those who do not know, revisionism concerns only the "so-called KKE-Int." as Florakis would also say.

It should be noted that both the tendency for unanimity in the name of party unanimity and the willingness of KNE to open fronts against all other



ideological currents do not greatly appeal to the rank and file. When the article was published, the rank and file of party organizations had not yet held their plenary sessions, but in most branches of organizations the confrontation was very sharp as concerned the policy KKE followed towards PASOK and the inadequacy of the recent Central Committee decision.

On the other hand, as we wrote in our previous issue, there is a sufficient number of persons who support "the need to be allied with KKE-Int." even with its present title.

However, despite all these disagreements, the dominating movement presently being formed within KKE turns toward the wrong direction: political isolation, the return "to the roots of Marxism-Leninism," and especially the tendency towards the party's self protection will lead rather to the withdrawal of those who disagree than to the constructive assimilation of the critical observations and their capabilities. And as life has proven, every cycle of administrative measures leads to a still greater ideological "purity", especially when considered in conjunction with the proper work-therapy which is based on the premise that "the party has had a greater contact with the masses."

In reality, KKE is using the pre-electoral activism to justify the post-electoral one. Naturally the KKE members had greater contacts with the masses due to the elections, but this is of no significance since the masses did not vote for KKE. What remains now is the assessment that "the problems will be aggravated since PASOK cannot solve them--an assessment which will lead to the development of new massive struggles." But how can KKE develop such struggles when its strength declines in exactly the areas where massive movements exist?

#### An Attack is Not Always the Best Defense

Since the days of the late Klauzevich /transliteration/ an attack is not always considered the best defense when, moreover, it is done "spasmodically and in a Don Quixote way." If KKE had undertaken a scientific poll of its voters views and especially of those who joined PASOK, it would arrive at the conclusion that its mild attitude towards the PASOK government policy is not the major reason for any of its disagreements with KKE-Int.

In 1985 these masses are asking for a different confrontation of the modern social problems, a different language and mentality and other forms of organization from those that prevailed after the 1917 occupation of the winter palace in Tzarist Russia. KKE, after adopting all this time the most anachronistic views of PASOK's policy, after applauding the uniformity of the ballots and after identifying itself with AVRIANI even during its most shameful moments (as, for instance, when "it asked that the Greek-Jewish announcer Rezan resign from Greek Radio"), suddenly discovered AVRIANI's rottenness and is preparing its attack, using the same language and mentality at a time, moreover, when PASOK is expanding its influence

among the working people and unions and is preparing to consolidate its support in the state and society during its new 4-year term. If Papandreou's staff succeeded in gaining voters from KKE after nearly 4 years of administration which was full of mistakes and contradictions, how many more will it be able to attract if it materializes certain of its promises such as the National Health System, the curtailment of bureaucracy, etc.?

It appears like a historical paradox or a historical repetition: when KKE accepted defeat at the end of the civil war, its Central Committee reached the unanimous decision that "this was a short pause" and that "its struggles would be continued." It found a scapegoat in the person of M. Vafeiadis and called for preparation with the unrenowable slogan "arms to order." Almost 40 years later and at a moment when KKE faces more than ever the need to redefine its strategy and identity, it again calls for arms to order even after a clear political and electoral defeat, this time using PASOK as a scapegoat (which Vafeiadis had joined). But would it be an insult if we reminded everyone that, according to Marx, history does not repeat itself except as a farce?

7520

CSO: 3521/284

POLITICAL

GREECE

# BIOGRAPHIC DATA ON KKE DEPUTIES

Athens RIZOSPASTIS in Greek 5 Jun 85 p 3

/Text/ Kharlias Florakis

He was born on 20 July 1914 in Rakhoula, Karditsa. He is a graduate of the TTT /Posts, Telegraph and Telephone/ vocational school. As a telegrapher, he also enrolled in the law school. Since the time he was a high school student in 1930 he was involved with the pioneer groups of the OKNE /Federation of Greek Communist Youth/. As a TTT employee he was active in trade union affairs and participated in the leftist telegraphists wing and was secretary of the executive committee of the TTT trade union federation. After the occupation of the country by the Hitler fascists in 1941 and with the reestablishment of the Communist Party of Greece he became a member of the latter. He subsequently was secretary of the KKE party organization. During the Hitler fascist occupation, he took part in the organization and direction of the postal workers strike in April 1942. It was the first big strike during the occupation and one of the first days in enslaved Europe.

For his activities he was persecuted and repeatedly arrested by the security authorities. At the end of 1942, he was persecuted by the Italian occupation authorities.

From the beginning of 1943 he joined ELAS /National People's Liberation Army/ and fought as a cadre against the occupiers. In 1945, he was a member of the City Committee of the KKE organization of Athens.

During the civil war, he was the commander of a big division, the 1st Division of the Democratic Army of Greece. In 1949, he was elected member of the KKE Central Committee.

In 1954, while working for the party illegally he was caught in Athens. He was sentenced many times to life imprisonment and remained in prison or concentration camps as a political prisoner for a total of 17 years.

At the 16th Central Committee Plenum of June, he was appointed member of the Political Bureau. At the 17th Central Committee Plenum (1972), he was appointed first secretary of the KKE Central Committee and since the 10th party congress of May 1978 he has been central committee secretary general.

He was elected KKE deputy from the Second Electoral District of Athens in 1974, 1977 and 1981. He has been decorated with the Lenin medal.

## Maria Damanaki

She was born in 1952 in Agios Nikolaos, Crete. She grew up in Ioannina, Athens and Irakleion moving from place to place since her father was a soldier. She took part in all student demonstrations during 1972-1973 and also in the Polytechnic Institute events when she was the speaker over the local radio station. During the November events she was caught and jailed at the Athens General Security and the EAT /expansion unknown/ - ESA /Greek Military Police/. During the period of the dictatorship she joined the KNE /Greek Communist Youth/. A chemical engineer by profession she was elected deputy from the Second Electoral District of Athens in 1977 and 1981.

## Stratis Korakas

He was born in 1940 in Polykhnito, Mytilini. He studied economic science (organization and management of businesses) at Louvain, Belgium, where his father had migrated to work as a coal miner. As a student he was very active in trade union affairs both among student groups and immigrants in Belgium. He joined the EDA /United Democratic Left/ of Belgium in 1963. He was persecuted by pro-junta Greek authorities as well as by university and Belgian authorities for these activities.

He returned to Greece in August 1974. He took an active part in the reestablishment of the EEDYE /Greek Committee for International Detente and Peace/ whose secretary general he was during 1975-1981.

At the 10th and 11th KKE Congress he was elected alternate member of the central committee. Since 1983, he has been the permanent representative of the KKE on the periodical PROVLIMATA EIRINIS KAI SOSIALISMOU /PROBLEMS OF PEACE AND SOCIALISM/.

## Grigoris Farakos

Member of the KKE Central Committee Political Bureau. Director of the party's central organ RIZOSPASTIS. He was born in 1923 in Navplion. From his early student years at the Polytechnic Institute he took an active part in the national resistance to the German occupiers. Through these activities he proved himself to be a leading cadre of the EPON /National Panhellenic Youth Organization/ Student Group, the ELAS /National People's Liberation Army/ Student Group and later on he became a captain of the legendary Lord Byron company made up of students. As commander of the company, he defended the Polytechnic Institute when British tanks, for the first time, crashed through the gate of the institute.

He became a member of the KKE in 1941 and was twice wounded during the resistance of the Greek people against the British and American imperialists. He was exiled to Ikaria for his activities. He lived abroad for years as a political exile, continuing his struggle for a peaceful and independent Greece. At the 8th KKE Congress (1961) he was elected member of the KKE Central Committee. At the 12 KKE Central Committee Plenum (1968), he was elected to the party Central Committee Political Bureau. That same year he entered Greece clandestinely at the head of the KKE Central Committee branch for the purpose of furthering the anti-dictatorship struggle of the Greek people. He was arrested in November 1968 and sentenced to life imprisonment.

He was one of the last to be released after the overthrow of the dictatorship in July 1974. He was elected KKE deputy from the First Electoral District of Athens in the 1974, 1977 and 1981 elections.

A mechanical and electrical engineer, he also studied social and economic science and has written many books, articles and studies on economic development, etc. He has specialized in topics dealing with energy economics.

#### Dimitris Sakhinis

He is a laborer and carpenter. He is married and has two children. He was born in 1920 in Constantinople. He joined the labor movement back in 1936. He was elected president of the Salonica Carpenters Union many times. Today, he is a member of the Salonica Labor Center council.

He participated in the national resistance struggle of our people against the occupiers. He was an officer in ELAS /National People's Liberation Army/ (commander of the civil guard subdirector of Eleutheroupolis-Kavala.) He spent a total of 13 years in jail during the civil war and the ensuing dictatorship.

He has been a member of the KKE Central Committee since the 10th party congress. He was elected party deputy from the First Electoral District of Salonica during the 1977 and 1981 elections.

#### Ilias Papadimitriou

A farmer, he was born in 1923 in Neai Karyai, Larisa, from a peasant family. He became a KKE member in 1941. He participated in the national resistance struggle in the ELAS /National People's Liberation Army/ lines.

In August 1945, he was captured by Sourla's men but was released on bail at the end of 1945. He was subsequently rearrested and sentenced to life imprisonment by a military court in 1946. He remained in prison until 1964.

With the 1967 coup d'etat he was at once seized but was released in 1971 to continue his struggle against the dictatorship.

He has been a member of the KKE office of Thessalia region from 1974 and since the 11th party congress (1982) he has been a member of the KKE Central Committee.

He has been an elected member of the Union of Larisa Farmers Cooperatives administrative committee and the PASAGES /Panhellenic Supreme Confederation of Unions of Agricultural Cooperatives/ administrative committee since 1983. He is the vice president of the administrative council of the latter. Since the beginning of 1985, he has been president of the Union of Larisa Farmers Cooperatives.

#### Nikos Kaloudis

He was born in 1917 in Khios. He was a merchant marine sailor since 1934. He began working as a sailor when he was 17 years old. During the war he worked in the transportation field which involved serving the war fronts.

He was elected secretary of the Union of Greek Merchant Marine Sailors and afterwards secretary of the Federation of Greek Merchant Marine Organizations.

During the 8th party congress he was elected member of the KKE Central Committee and later on member of the political bureau.

In 1970, he was arrested by the junta as head of the central committee branch in Greece. He was rearrested in 1973. He is a member of the KKE Central Committee Political Bureau and KKE parliamentary representative.

#### Kostas Kappos

He was born in 1937 in Kefalafryso, Argolis. He completed the Argos high school. He later studied at the Advanced Industrial School and worked as accountant. In 1968, he was arrested by the junta and exiled to Leros from where he was released in 1971.

He was once again arrested in the first part of 1974 and remained in prison until the junta was overthrown.

In 1974, he was elected KKE deputy from the Second Electoral District of Athens. He was again elected KKE deputy in the 1977 and 1981 elections. He is a member of the KKE Central Committee.

#### Diamandis Mavrodoglou

He was born in 1924 in Komninous, Attiki. A construction worker, he is president of the Federation of Construction Workers and Related Trades of Greece.

He took part in the national resistance struggle. In 1946, he was arrested and sentenced to 6 years imprisonment, most of which were spent on Gioura. After his release he joined the EDA /United Democratic Left/.

For 10 years straight he was a member of the administrative committee of the Leather Tanners Union. He was a municipal councilor of Elliniko community prior to the dictatorship. He was arrested on 21 April 1967 and exiled to Lakki, Leros, until August 1970.

In 1975, he was elected member of the administrative board and president of the Union of Mosaic Workers. He was elected president of the Federation of Construction Workers at the 9th and 10th congress of this organization.

He is a member of the KKE Central Committee.

#### Mikis Theodorakis

Mikis Theodorakis' militant activity began early in life. During the German occupation he took part in hundreds of battles and for the liberation of Athens. He was arrested and savagely tortured by the Italians in 1942 and the Germans in 1943 who also condemned him to death. However, he managed to escape.

After the liberation, he was elected cultural secretary of the EPON /National Panhellenic Youth Organization/ of Athens and he became the soul of rich cultural activity. When the British and Americans intervened, he participated in all the battles of the eastern suburbs (1944) and the battles waged by democratic students (1945). These activities resulted in his being savagely manhandled by the police who hospitalized him (1945) but the end result was that his right eye was rendered useless. In the summer of 1948, he was exiled to Ikaria and again in 1948 after a short period of freedom.

In January 1949, he was transferred to Makronisi. Suffering from tuberculosis and the results of ferocious tortures he was transferred to the 401st Military Hospital and from there back to Makronisi. The serious crises brought about by the torture and wounds forced the security police to release him. He continued his militant struggle and in 1963 was once again arrested for taking part in the first peace march. After the death of Grigoris Lambrakis he was one of the founders of DINEL /Lambrakis Democratic Youth/ and was elected its secretary. In 1964, he was elected president of DNL /Lambrakis Democratic Youth/ which came about through the union of the DINEL and the EDA /United Democratic Left/ youth.

In March 1964, he was elected EDA deputy from the Second Electoral District of Piraeus. On 21 April 1967, he went underground and was in the forefront for promoting anti-dictatorship activities. Together with other Lambrakists he founded the Patriotic Front. In August 1967, he was arrested and transferred to Bouboulina and from there to the Averof prison hospital where he was close to death from the results of a hunger strike. He was released from the Averof prison at the end of March 1968 and remained at Vrakhati under police surveillance. In August 1968, he was exiled to Zatouna together with his family. In October 1969, he was transferred to the Oropos military camp. In March 1970, he was taken to the Sotirias sanitarium seriously ill. He was released in April 1970 after the mobilization of world public opinion. When he was sent abroad he continued his anti-dictatorship struggle relentlessly. In 1970, he was awarded the Lenin medal of the Leninist Komsomol in Moscow.

After the political turnover in 1974 he was one of the founders of the United Left. In 1978, he was candidate for mayor of Athens with the support of the KKE. In March 1979, he took part in the establishment of the KEA /National Rebirth Party/. In 1980, he was awarded the Bulgarian medal "Cyril and Methodios" on the occasion of his 55th birthday. In 1981, he was elected KKE deputy.

The militant history of Mikis Theodorakis is closely linked with his musical works that created a new era in Greek music and Greek songs that remained for the Greek people a symbol of a struggle against both domestic and foreign reaction. At the same time, he was recognized world wide and was given awards. It is to be noted that in this connection Cuban leader Fidel Castro called Mikis Theodorakis "the greatest contemporary popular composer."

In 1983, he was awarded the Lenin peace prize for his musical works and for his struggles for peace and democracy.

#### Manolis Drettakis

He was born in 1934 in Irakleion, Crete. He studied economic science at the Advanced School of Economic and Commercial Sciences and economics and econometrics at the School of Economics of the University of London. He received his degree from the latter university, as well as his masters and doctorate.

While studying, he worked in banks in Greece and England (1954-1964). He also worked in the Greek service of the BBC (1964-1970).

As an assistant professor, he taught econometrics at the School of Economics of Leeds University in England (1970-1974) and as professor of econometrics at the Advanced School of Economic and Commercial Sciences (1974-1984).

He has published many articles in specialized journals of Greece, Britain, France and West Germany, as well as Holland and the United States on subjects dealing with theoretical and applied econometrics, immigration, training and demography.

Between 1975 and 1984, eight of his books were published in Greece (five studies on: social sciences in advanced schools, entry examinations for the AEI /Advanced Educational Institutions/, parliamentary elections and Euro-elections, as well as three teaching works) and one book in Yugoslavia, written in English and Serbo-Croatian (dealing with the emigration movements of this country to and from West Germany).

Between 1976 and the present he has written and published a large number of articles in the daily and weekly press and in press journals on economic, social, educational and demographic problems of the country.

In 1977 and 1981, he was elected PASOK deputy from Irakleion Nome and between 1977 and 1984 he was a member of its central committee. In May 1984, he resigned from PASOK --and immediately afterwards (the same day) -- from his parliamentary post.

During the first assembly of the second session of the Chamber of Deputies he was a member of the parliamentary committees of the Ministry of Coordination and the Ministry of Education and in the next three assemblies he was member of the parliamentary committees on coordination and economics. His main speeches during the second session of the Chamber of Deputies (1977-1981) were published in 1981 in two books.

He was appointed minister of finance in the first PASOK government that was formed on 21 October 1981. As such, he introduced to the Chamber of Deputies the 1982 fiscal year budget as well as the tax-wage legislation that accompanied it. He resigned as minister on 23 June 1982 after a disagreement with the prime minister in connection with a modification of tax legislation that the latter announced.

During the second and third assembly of the third session of the Chamber of Deputies he was a member of the parliamentary committees on education, culture and science and research and technology.

He is married to Maria Lariou and has a 22 year-old daughter and a 19 year-old son.

Stathis Panagoulis

He was born in Athens in 1946. He is married and the father of two children.

With the onset of the dictatorship in 1967, he was among the first to join the resistance. In June 1967, he was arrested, tortured and jailed in the Averof prison and the Korydallos prison. After his release in September 1967, he succeeded in fleeing to Italy. There he joined the "Greek Resistance," an organization that was founded by his brother Alekos.

With Italy as a base, Stathis Panagoulis was very active in his anti-dictatorship struggle and entered Greece many times clandestinely.



He was also politically active. He joined youth organizations and socialist and progressive movements of Europe and the Mediterranean. He wrote articles, gave lectures at universities and took part in congresses and demonstrations for the reestablishment of democracy in Greece. He traveled to West and East Europe, the Arab countries and America.

On 11 August 1972, while in Greece clandestinely, he was betrayed and arrested by the ESA /Greek Military Police/ and was held until March 1973. He underwent savage torture that he condemned during the course of his trial and during the trial of the perpetrators of the torture where he was a prosecution witness. He was sentenced to 9 years imprisonment by the special military court of the junta.

In 1977, he entered the election campaign and was elected PASOK deputy from the Second Electoral District of Athens. He also became a member of the PASOK Central Committee.

In 1981, he was once again elected PASOK deputy and became deputy minister of interior. On 27 August 1982, he resigned as deputy minister and was purged from PASOK. He at once announced to the Chamber of Deputies that he was becoming an independent socialist. From that time on he continued a many-sided politically active life both in and out of the Chamber of Deputies and together with others founded the panhellenic political organization "Socialist Unions" that constituted the core of the new political entity, ESPE /United Socialist Party/.

In February 1984, he was elected secretary general by the panhellenic conference of founders and co-founders of ESPE. ESPE worked with the KKE during the 2 June 1985 elections.

5671

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POLITICAL

GREECE

BIOGRAPHIC DATA ON NEW AREOPAGUS APPOINTEES

Athens I KATHIMERINI in Greek 4 Jul 85 pp 1, 3

[Excerpts] To a certain extent, the government resumed its 1982 habit of bypassing judges yesterday when it chose the new leadership of the Areopagus (Areios Pagos--Cassation Court). It passed over three senior deputy chief justices, P. Petrokheilos, Io. Vournas, and P. Logothetis, and appointed as chief justice of the Areopagus the fourth deputy chief justice, And. Stasinos. It also passed over the first deputy public prosecutor G. Plagiannakos and chose for the post of public prosecutor the second deputy public prosecutor, professor K. Stamatis.

By the same decision, which was made unanimously of course, the supreme-court justices Nik. Sakellaropoulos and D. Stamatopoulos were promoted to the position of deputy chief justices of the Areopagus. Four senior supreme-court justices were passed over--G. Voltis, G. Kassimis, Ioan. Khristianopoulos, and Khrist. Khristoforidis.

In all, 25 supreme-court justices who had had this rank for at least 3 years were reviewed for promotion to the rank of deputy chief justice.

Andonis Stasinos: He was born in 1922 in Alagonia, Messinia. He studied at the School of Law of the University of Athens. In 1951 he received an appointment as an attorney in Peiraia. In July 1953, after successfully completing examinations, he was appointed to be a salaried assistant judge in the Athens Court of First Instance. In December 1955 he was appointed first instance court judge of Karditsa and in 1957 he was transferred to Athens. He was promoted to chief first instance court judge in 1968 and to appellate court judge in 1975, to supreme-court justice in June 1978, and to deputy chief justice of the Areopagus in 1982. He is married, has two children, and knows French.

Konstandinos Stamatis: He was born in Samos in 1919. He studied law at the University of Athens. In March 1951 he passed his examinations as assessor in the public prosecutor's office. In 1954 he became deputy public prosecutor. In 1962 he became a public prosecutor, in 1972 a deputy public prosecutor for the court of appeals. In 1977 he became appellate court public prosecutor, and in 1979 deputy public prosecutor of the Areopagus. In 1959-1961 he received additional education at the University of Tuebingen in West Germany in criminal law, criminal procedure,

criminology, and civil law. He became a doctor at the School of Law of the University of Salonica in 1967, with the study "The Profusion of Criminal Laws." And in 1972 he became visiting specialist lecturer at the School of Law of the University of Athens following a recommendation by Nikos Khorafas, with his subject being "General Principles on the Apparent Influx of Crimes."

He has published nine separate studies, the last bearing the title "The Preliminary Interrogation in Criminal Proceedings and the Principles of Legality and Expediency," and has published dozens of his decisions on criminal and civil issues in various periodicals.

He became an acting professor at the Athens School of Law in 1980 and assistant professor in 1982. With respect to foreign languages, he knows German and French.

#### Nikos Sakellariopoulos

He was born in 1925. He studied at the University of Salonica and was appointed an attorney in 1951. In September 1952 he was appointed a justice of the peace. Following a competitive examination, he became an assistant judge in 1954. In 1956 he became a judge of the first instance court, and in 1969 a chief first instance court judge. He became an appellate court judge in 1972 and a supreme-court justice in 1979. As for foreign languages, he knows German. He is married and is the father of a girl who is an examiner with the Council of State.

#### Dimitris Stamatopoulos

He was born in 1924 in Istiaia, Evvoia. He studied law at the University of Athens and was appointed an Athens lawyer in 1951. He entered the judiciary in 1954 as a salaried assistant judge. In 1956 he became a first instance court judge, in 1969 a chief first instance court judge, an appellate court judge in 1971, and a supreme-court justice in 1979. He knows English as a foreign language. He is married and the father of a girl.

#### Statement by Mitsotakis

In connection with the choosing of a chief justice, deputy chief justice, and public prosecutor of the Areopagus, the chairman of the New Democracy Party, K. Mitsotakis, made the following statement:

"Once again, and despite the warnings that have been addressed to it from all sides, the government has made its own choices.

"The New Democracy will reserve judgment, assessing from their actions the persons whom the government has put at the head of the Greek judicial system."

12114

CO: 3521/291

POLITICAL

GREECE

POLICE REORGANIZATION SEEN CORRECTING PREVIOUS ERRORS

Athens I KATHIMERINI in Greek 5 Jul 85 pp 1, 3

[Text] The initial problems stemming from the law on the unification of the security forces have appeared, and the government has been forced into a full retreat in order to rectify matters and to work out a somewhat better functioning on the part of the newly formed Greek Police (ELAS). By a Presidential Decree that Minister of Public Order Ath. Tsouras drew up and forwarded to the office of president of the Republic for signature, in essence one branch is being abolished while two others are being merged, and at the same time the numerical strength of the lieutenant generals and major generals is being reduced.

The Changes

Specifically, the Presidential Decree contains three articles. In the first article, two of the five branches which the law on unification provided for--the branch of public-order police and the branch of security police--are united. In the second article, the number of lieutenant generals is decreased from 5 to 3 and that of major generals from 21 to 8. Finally, with the third article the institution of regional inspectorates such as used to be operative in the gendarmery is essentially restored, with the difference that the three inspectorates being created will not have rights of supervision over the General Police Commands of Attiki and Salonica. In addition, none of the three inspectorates will have its seat in Athens.

In the law on unification which had been passed by the Chamber of Deputies 9 months ago, of the five lieutenant generals provided for by the numerical strength provision, one occupied the position of chief and the other four headed an equal number of branches--that is, the "public order police," the "security police," "civil defense," and "administrative support." The decrease in the number of lieutenant generals to three essentially abolishes the branch of civil defense, which was unable to function in any case, nor was it about to do so in the future, because of a confusion of jurisdictions between it and services of the army.

With the Presidential Decree, the branches of the Greek Police are reduced to two, headed by two lieutenant generals. The branch of administrative support remains, with responsibilities in administrative matters, while the

unified public-order and security branch will have responsibilities in operational matters.

The Presidential Decree is expected to be signed by the president of the Republic within the week, so as to be in force at the time of the annual reviews of ELAS officers that will begin next week. The restructuring of agent strength in the ELAS with respect to lieutenant generals and major generals and yesterday's announcement by Minister of Public Order Th. Tsouras concerning the re-establishment in ELAS of the rank of brigadier general leads to certain conclusions concerning the upcoming reviews.

#### Retirements

Specifically, whereas with the law on unification it was considered certain that 8 major generals in ELAS would be retiring, with the presidential decree the retirement of at least 11 major generals will become mandatory. This is because of the 21 major generals on active duty today, 2 will become lieutenant generals and of the remaining 19, if 11 are retired that will leave 8, the number that the presidential decree provides for.

However, in the presidential decree there is no modification of the provisions that define the proportions to be represented from the former gendarmery and the former cities police for the purpose of filling the key positions in the top ranks of ELAS. Consequently, the ratio of one to two will prevail for the lieutenant generals and the major generals, and thus even if E. Bosinakis is promoted to the rank of lieutenant general as first on the list from the former police, the number of major generals coming from the gendarmery who will be retired will not be smaller than eight.

It is noted that even though in next week's annual reviews the 122 police chiefs on active duty will certainly be reviewed again, none of these are going to be promoted because there are no vacancies in positions at the rank of major general. The Review Board will draw up the list of promotable, retainable, and retirable officers, and when the law on reinstating the rank of brigadier general is passed the appropriate promotions will follow, either after new reviews or without them.

#### Statements by the Minister

Minister of Public Order Ath. Tsouras, referring to the new substantial modifications in the law on unification, made the following statements:

"Following the unification and the operating of the Ministry of Public Order within the framework of the new organization for 9 months now, it has been found that the number of lieutenant generals and major generals of the Greek Police is larger than the required number, and that certain services should be reorganized.

"As is known, the organizations of the abolished gendarmery forces and the cities police provided for a total of 2 lieutenant generals and 7 major generals. By Law 1481/84 concerning 'unification of the security forces,' the positions of lieutenant general were increased by 3, becoming 5, and

those of major general were increased by 14, becoming 21. This increase in key positions was done in order to cope with functional needs that could possibly have arisen from the implementation of the law and that could not be determined precisely at that time. In any case, for this reason authorization is given in the law making it possible by a presidential decree for services to be reorganized or abolished and for key personnel positions to be increased or decreased.

"In connection with these findings, a presidential decree has been drawn up which has been forwarded already to the president of the Republic for signing and which provides for the following:

"1. The key positions of lieutenant generals are fixed at three and of major generals at eight.

"2. The branches of the public-order police and security police hitherto existing are being united into one branch with the name 'police, security and public-order branch.'

"3. The supervision over corresponding regional inspectorates and police commands is being assigned to three major generals from the previous branches. Specifically, the locations of jurisdiction and the seats for these are fixed as follows:

"a. The services of Thraki, Thessalia, and Makedonia (plus Salonica) with a seat in Salonica.

"b. The services of Crete, Dodekanisos, Samos, Khios, Lesvos, Kyklades, Evvoia, and Sterea Ellas (plus Attiki and Aitolokarnania) with a seat in Athens.

"c. The services of Peloponnisos, Aitolokarnania [sic], Ipeiros, Kerkyra, Levkas, Kefallinia, and Zakynthos with a seat in Patrai.

"Finally, for the sake of the smooth functioning of the forces of the Greek Police and the meeting of corresponding service-related needs, the government intends to institute the rank of brigadier general by means of a relevant legal regulation that will be submitted to the Chamber of Deputies."

12114

CSO: 3521/291

2 August 1985

POLITICAL

GREECE

## DETAILS ON GOVERNMENT, MINISTRIES' REORGANIZATION

Athens TA NEA in Greek 5 Jul 85 pp 12-13

/Text/ The diagram that appears below shows the new government schema and the "service relations" that will exist among the various government branches, as provided by the new law that was introduced to the Chamber of Deputies yesterday.

The organs that decide on and exercise executive powers, i.e. besides the prime minister himself, are the KYSYM /Government Council/ and the Ministerial Council (see top right of the diagram), the ASOP /Supreme Council on Economic Policy/ and the Prices and Incomes Committee (see top left of diagram).

Three vice presidential positions are created, one of which will also have the function of alternate prime minister. The Ministry to the Prime Minister remains "first in line" and has the following functions: administrative responsibility for the prime minister's services; responsibility for the press, radio and television; public administration and administrative reforms fields; training and education of public administration cadres; coordinating supervision of and implementation of legislation and organizational and operational principles of public administration; supervision of the General Secretariat for the Equality of the Two Sexes and the General Secretariat for Press and Information.

(Two deputy minister positions are provided for, one responsible for press issues at the same time acting as government spokesman, while the other is responsible for public administration issues). The Ministry of Foreign Affairs maintains its current jurisdictions and responsibilities.

(Two alternate minister positions are provided for). The Ministry of National Defense maintains its current jurisdictions and responsibilities.

(One alternate minister position and one position on minister on economic issues and war industry are provided for).

The Ministry of National Economy has the responsibility for drawing up economic policy, its coordination and implementation.

More specifically, the 5-year economic plan; the state budget as an annual plan, i.e. the basic determination of the relationship between revenues and expenditures, the basic breakdown of expenditures and the basic policy on public revenues; financial

and tax policy; public investments plan; prices and incomes policy; credit policy and surveillance over the credit system; supervision of operations in the public sector; supervision of the OAE [expansion unknown]; the drafting of industrial policy; policy for private investments; state provisions policy; socialization and social controls policy; tourism policy and supervision of the EOT [Greek Tourist Organization]; merchant marine issues; and supervision of the General Secretariat for Public Enterprises and Organizations.

(Two deputy minister positions are provided for, one of which has responsibility for merchant marine issues). The Ministry of Interior and Public Order has the jurisdictions and responsibilities it has now, in addition to public order.

(Two deputy minister positions are provided for, one of which is responsible for public order). The Port Corps will eventually be brought under the authority of public order, while the staffing of the Deputy Ministry of Merchant Marine will gradually be taken over by civilian personnel. The Ministry of Health, Welfare and Social Insurance has the jurisdiction and responsibilities of the two corresponding ministries.

(Two deputy minister positions are provided for, one for the health and welfare field and one for social insurance). The Ministry of Justice remains essentially as is. The Ministry of National Education and Religion remains basically as is with the exception of some additional jurisdiction in the field of research from the Ministry of Research and Technology and the assumption of responsibility for libraries and historical archives from the Ministry of Culture.

(One deputy minister position is provided for). Ministry of Culture. Besides its current jurisdictions and responsibilities, it assumes the responsibility for supervising the General Secretariats for the New Generation, Athletics, Popular Education and Greeks Abroad. Also, it takes over cultural matters that relate to tourism, for example, festivals, in cooperation with the EOT.

(Two deputy minister positions are provided for). Ministry of Agriculture. It essentially remains as is.

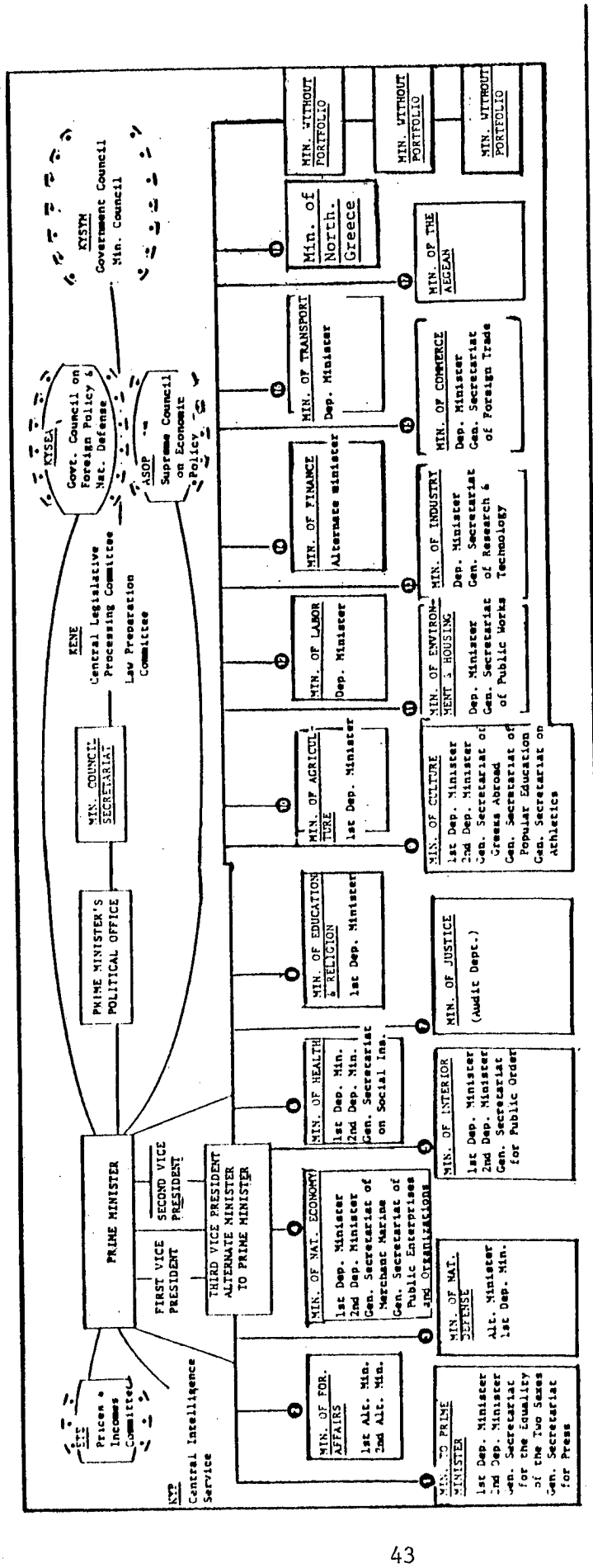
(One deputy minister position is provided for). Ministry of Physical Planning, Housing and Environment. Added to the former ministry are public works. Therefore the new ministry has responsibility for the environment, physical planning, town planning, national public registry of property, land policy, housing policy, public works, national physical planning council, surveys registration office, as well as traditional housing and traditional buildings (except for historical monuments that come under the Ministry of Culture).

(One deputy minister position is provided for, in public works and housing policy).

The Ministry of Labor and Employment remains as is.

(One deputy minister position is provided for). Ministry of Industry, Energy and Technology. Added to the present Ministry of Energy and Natural Resources is the implementation of industrial policy for the private sector, the implementation of the developmental and investment laws No. 1262/82 and No. 2686, responsibility for handicrafts and supervision over the General Secretariat for Research and Technology.





(One deputy minister position is provided for). Ministry of Finance. Besides its responsibility for drawing up and implementing the regular budget, it also assumes responsibility for the Public Investments Budget. It maintains the jurisdictions and responsibilities it now has.

(One alternate minister position is provided for). Ministry of Commerce. Besides its current jurisdictions and responsibilities, it assumes responsibility for foreign trade and supervision over the General Secretariat for State Provisions.

(One deputy minister position is provided for). Ministry of Transportation and Communications. It maintains the jurisdictions and responsibilities of the Ministry of Communications. It has co-jurisdiction and responsibility for coastal shipping with the Deputy Ministry of Merchant Marine.

(One deputy minister position is provided for). Ministry of the Aegean. It has supervision over and responsibility for the coordination of all state services of the region and it has co-jurisdiction and responsibility with other competent ministries in every issue relating to the Aegean.

The Ministry of Northern Greece. It has exactly the same jurisdictions and responsibilities as the former ministry on issues regarding Northern Greece and responsibility for minorities.

Finally, it should be noted that the positions of vice presidents of the government and alternate minister to the prime minister are not expected to be filled in the foreseeable future.

5671

CSO: 3521/302

POLITICAL

GREECE

## PUBLIC ORDER OFFICIAL ALLEGEDLY RECEIVED TERRORIST TRAINING

Athens I VRADYNI in Greek 29 Jun 85 p 16

[Text] The continuing revelations about the background and the activities of Mr Tsimas, secretary general of the Ministry of Public Order are assuming the dimensions of a major political issue. The government, meanwhile, is remaining silent. Independent deputy Virginia Tsouderou brought up the Tsimas question in the Chamber of Deputies. She noted that the secretary general of the Ministry of Public Order "was trained in terrorism in the Faht [phonetic spelling] camp in Lebanon." As is known, Soviet and Eastern Bloc agents receive training in this particular camp.

### The "Macedonian Slavs"

In her interpellation, Ms Tsouderou also noted that "Mr Tsimas played a major part in the release of the third Shi'ite hijacker and could be the Greek to whom convicted Norwegian spy Treholt recently referred."

The stunning interpellation by Ms Tsouderou also mentioned that Mr Tsimas--who assumed full powers in the Ministry of Public Order in February 1981--personally gave permission for the entry into Greece of Macedonian Slavs outside of legal channels.

### Russians Delivered

Moreover, Ms Tsouderou alluded--albeit very clearly--to the fact that Mr Tsimas delivered into the hands of the Soviets the family of Soviet diplomat Sergei Bokhan.

"Who was responsible," Ms Tsouderou said, "for immediately handing over the family of the Soviet diplomat who was serving in Athens and asked for asylum in the West? The fact that there was no previous agreement with the family itself is considered a violation of international norms."

### "Veto" in Rome

Ms Tsouderou denounced the government's action in sending Mr Tsimas to Rome for the meeting of representatives of European nations on 21 and 22 June. She said that "following the tense atmosphere created by the handling of the recent hijacking and the repeated warnings by the IATA about airport security, Mr Tsimas should not have represented our country."

Ms Tsouderou also noted that during the Rome meeting, Mr Tsimas "vetoed three times a proposal to enforce unified legislation in all European countries to defeat terrorism," and asked the ministers of foreign affairs, justice and public order:

1. "On what view of terrorism did the government's representative base his veto? Doesn't he believe that tolerating anarchy on an international level undermines international peace?
2. Doesn't he believe that an initial agreement within the framework of the EC is a positive step for the imposition of international legality?
3. Is there, in the government's view, any other goal that dictated such a stance, which surely creates tension in our relations with other European partners?"

CSO: 3521/297

POLITICAL

GREECE

BRIEFS

POSSIBLE NEW AMBASSADORS--Mr Papandreou is getting ready to send out two new partisan ambassadors to embassies that are most important to Greece: Washington and Bonn. He seems to have decided to send the failed Piraeus deputy and former deputy minister of foreign affairs, I. Kapsis, to Washington, since he is experienced in Greek-American relations--even though he "messed up" about the moratoria and in the talks with Bartholomew. As for the Bonn position, it is rumored that he will appoint the present ERT-1 [Greek Radio and Television] director general, Mr Vas. Mathiopoulos, in order to reward him for his services to PASOK with the ERT's total subjection to the party in the pre-electoral campaign. According to other information, Mr Papandreou wishes to rid himself of Kapsis' importuning in regard to his membership in the new government, as well as of Mathiopoulos' presence. [Text] [Athens I VRADYNI in Greek 16 Jun 85 p 6]

PASOK HARDLINER--It seems that former Minister of Merchant Marine G. Katsifaras has recently become a member of the "Group" of PASOK hardliners. Mr Katsifaras, who was rumored to be--until the recent elections--a "conservative" Katri friend, was left out of the new government and was attacked in an article that appeared in a pro-government newspaper which is said to be now directly influencing Katri. He reportedly joined the hardliners' group in order to "re-enter the corridors of power". And if we are to judge from the most recent information, according to which he will be a minister in the next government, it seems that his newly-acquired membership has been useful. Gossip has it that we should not be surprised if, in the future, Mr Katsifaras cuts short his "chic" appearances, to start wearing jeans and a military jacket! Good times and nice clothes are fine, but power is so sweet. [Text] [Athens I KATHIMERINI in Greek 23-24 Jun 85 p 16]

CSO: 3521/283

POLITICAL

ICELAND

FOREIGN MINISTER GEIR HALLGRIMSSON ON POLITICS, OWN CAREER

Reykjavik MANNLIF in Icelandic Feb 85 pp 16, 17-18, 20, 22, 24, 26, 28

[Article by Herdis Thorgeirsdottir: "Geir Hallgrimsson, Plans After the Primary Elections"]

[Text] The Philosopher Thomas Hobbes set forth in his time a basic teaching on human nature. His teaching was that the general inclination among all mankind is a continual and endless desire for power, a desire that death alone can quell.

Presuppositions about human nature are and remain only presuppositions. We do not know the final truth. Presuppositions, however, can come very close to truth and this is perhaps nowhere more certain than in the world of politics, wherein the notion of power is a key notion and the desire for power a key condition. Sympathy and belief are necessary in politics, said the German sociologist Max Weber. "All historical experience demonstrates the truth of the statement that man would never have achieved the possible unless he had searched for the impossible. And to achieve this man must not only be endowed with his own characteristic leader but with a hero in the full meaning of the word," Weber said also. "And those who are neither leaders nor heroes must arm themselves with that perseverance that makes it possible to see all of one's dreams fall into ruins. This is necessary, otherwise men will not be able to achieve the goals that are possible. Only he has a calling in politics who knows that he will not collapse even though the world is, from his viewpoint, so stupid and so despicable that he must reject it completely. Only he who can say, faced with such a situation, 'in spite of all this,' has a calling in politics."

Something brought this to my mind in connection with Geir Hallgrimsson--who still seems to be searching for that possibility or impossibility and who even after several disasters in the primary elections before the last elections still

decided to seek reelection again. He has now been in politics for three decades. He gave up the office of Independence Party chairman in the autumn of 1983 and has occupied the post of foreign minister since the present government took office in that same year. Thorsteinn Palsson, who has not taken an office in the present government, something that some have thought strange, although there have been comparable things in the history of the party before, took over the position of Independence Party chairman. There was no doubt whatever at the time that Geir Hallgrimsson supported Thorstein Palsson as his successor in the chairmanship. On the other hand, the question has arisen of how total Hallgrimsson's support for Palsson is, especially in as much as there were concerns about a possible participation of Palsson in the government. Before this the Independence Party ministerial group in the government had considered Hallgrimsson its leader. Although Hallgrimsson is no longer chairman and has, moreover, no longer voting rights within the party Althing delegation--he still seems to be a very powerful person within it. MORGUNBLADID editor Styrmis Gunnarsson wrote a noteworthy article on the chairman's position before the party's national convention in the autumn of 1983. The article made it clear that the time of the great leader was past. Some interpreted this article as a kind of swansong for Geir Hallgrimsson--others felt that this interpretation of an editor serving as a kind of press agent for the new party chairman was nothing more than a realistic appraisal of the changed character of the party. Since the government took power there have been various murmurings about the function of the chairman and also what Geir Hallgrimsson is planning. It was said that he might want a position as chief of the Icelandic Central Bank or that he would like to be Icelandic ambassador to Washington. Public opinion came around to the view that Geir Hallgrimsson, as a kind of "grand old man" of Icelandic politics was inclined to enter a quiet retirement, having seen a fullness of political days of life.

But no. Geir Hallgrimsson, after a 30-year career in Icelandic politics is still an enigma--a puzzle in political reality here, at the end of the world. He has a calling in politics--if we heed the words of Max Weber. When I asked him on the telephone--before this interview took place--whether or not he was thinking of a political comeback in the next elections, he answered that we can hardly speak of a political comeback at present since he had never left politics. "No one can be a judge of what he himself does," he said when I first contacted him and the conversation came around to the subject of his position on his own image in Icelandic politics. Many think him aloof and not directly a man of mass popularity. And it has often been said that he would have his connections with the world without being in direct contact with it himself. Hallgrimsson laughed at this and said that since the time he was on the Reykjavik Municipal Council in 1954 he has never found that he lacked access to the people or that the people lacked access to him. And he asked concerning the above-mentioned middlemen "whether or not in this case an effort is being made to paint me as the same kind of strange bird that Styrmir Gunnarsson perversely tried to make me out to be in a article in MANNLIF last autumn." But was not the Styrmir Gunnarsson just mentioned one of the closest advisors of Geir Hallgrimsson in decades past? "That is true," he said, "I know no one more open and candid than Styrmir Gunnarsson. And it was for this reason, among other things, and on account of his excellent judgements that he is a good advisor. However, contrary to the view that I have around me a

group of advisors, I have taken council with the people to find out their points of view. On the contrary, however, no one who is chosen for political office can avoid taking responsibility for his own decisions and rising or falling with them."

Concerning his political image, Geir Hallgrimsson said that he was no demagogue. He thinks that the voters unfortunately let politicians get away with promoting superficial causes of the time that no one supports.

"My participation in politics has from the beginning been to fight upon the basis of conceptions, views and a definite outlook. It is a fact, on the other hand, that every politician must take movements among the people into consideration. However, I have little respect for politicians who seek after public opinion polls and interest groups."

--What about public opinion? What is his view of the results of the last primary election wherein he, as chairman of the Independence Party, was pushed down into position seven and received as a result an Althing seat that was not safe."

"I am certainly more accustomed, in all the time that has elapsed since I first took part in a primary election in 1954, to being in the uppermost position or at least one of the uppermost positions in the primary elections rather than the seventh. But that is politics," he said and added: "For sure, it is possible to give oneself other kinds of explanations when things go badly. I have always thought it best not to dwell on the past," he said smiling, "although most things have gone well for me."

We turned the conversation then to the position of the present party chairman and I asked him whether or not, in view of his own influence within the Althing delegation of the party on all occasions, it is easy for him to control the present chairman.

He said that now as before the chairman of the Independence Party is his unquestioned leader. "On the contrary, the chairman has never prevented the participation of others in positions of power within the party. In the "Stefan" Government of Stefan Johann Stefansson (the coalition of the Social Democratic, Independence and Progressive Parties that took power in 1947), the then chairman of the party, Olafur Thors was outside the government."

"Thorsteinn Palsson and I have discussed the matter candidly among us," he continued, "and there is no misunderstanding there." He said that the Independence Party Althing delegation has shown him the confidence of entrusting him with ministerial tasks and the party's ministerial position made it possible for him to choose what office he wished. He said also, somewhat unexpectedly, that one reason, among others, why he gave up the chairman's post was that when he chose the post of foreign minister it became clear to him that the posts of chairman and foreign minister would be badly matched due to the large amount of travelling and residing abroad required by the office. For this reason he decided to give up the post of chairman.



Asked whether or not it had occurred to him to give up his seat to Palsson, although not in a direct replacement--Palsson would, for example, receive another ministry and someone else Hallgrimsson's office, he said: "I think my post as foreign minister to be a noteworthy one and it is an important post that I have every intention of keeping as long as I enjoy the trust of the chairman of the party Althing delegation. "The Independence Party has not controlled the foreign ministry in three decades," he continued, and said that during that period of time the foreign ministry has, more often than it should, been a bone of contention between irresponsible parties, particularly as regards security and defense matters. "This has also often been something to be ashamed of and such a state of affairs is not fitting for independent, democratic people," he said.

--I asked him whether or not there is some basis to the assertion that he has something of a reputation for what some call the hard line policy in foreign affairs, a view contributed to by the fact that he has been the errand boy of Icelandic trade interests during the time that he has been foreign minister. "It is true," he said, "if that is considered hard line, that I have never done anything to support turning the presence of our garrison force in Iceland to our financial profit, since it is here for reasons of our own security and as long as this is the case we should not make financial gain from it."

Asked about assertions of decreased trust in public cooperation between Iceland and the United States, Hallgrimsson said: "It should be our primary goal to gain a source of information in defense and security issues and not rely so completely on either the United States or other major members of the NATO Alliance. I have decided myself that Iceland should take part in meetings of the NATO Military Affairs Committee whenever issues relating to Iceland are on the agenda and I have emphasized to the American authorities that when plans are made that concern Iceland they should consult us. Under this policy it could happen that we would refuse to allow the United States or some of our other NATO allies to bring something about or to help us here in Iceland, but it could also result in our coming to the conclusion that not enough is being done for Icelandic security in Iceland."

--I asked him about his position on the increased participation of Iceland in its own defense in view of the fact that Iceland so far has not occupied a seat on the NATO Military Affairs Committee since Iceland has no armed forces of its own.

"It is true the tendency is for Iceland to take a larger part in the security guard now performed by the Americans," he said. "It is expected that with the arrival of the radar bases in Western and Northeastern Iceland those manning them will be entirely Icelandic and managed by us. The reasons for Iceland's participation in the business of the Military Affairs Committee is above all that we wish to support disarmament and in this way we can inform ourselves about the necessary preconditions for disarmament."

--What is your view on American influence on Icelandic education.

"Have you been to Scandinavia?," he said. "When people speak of too much American influence in Iceland they fail to do so in comparison with what is

taking place in the Scandinavian countries, and American influence is clear both from how people talk and what they wear there. To be sure we should, as a small nation, be on our guard and be concerned about our educational heritage. On the other hand, I am of the view that all peoples need nourishment that comes from the outside and I think that our experience is that there has never been more of a heyday of Icelandic education as when communications with foreign countries were the greatest."

Geir Hallgrimsson himself was educated in the United States. After passing his degree examination in law at the University of Iceland in 1948, Hallgrimsson studied law and economics at Harvard University in Cambridge. Asked about what foreign education method he likes the best, Hallgrimsson said that he would prefer not to answer in view of his position but that he knows the American, British and Norwegian educational methods the best. "On the other hand, I emphasize increased cooperation with other European nations."

--What does he think about the old idea of a European defense alliance to counterbalance the two great powers. "A European defense alliance without the participation of the United States is inconceivable and the predominance of the Soviet Union over the other European nations would be the major factor. Only through the membership of both Europe and North America in NATO is it possible to achieve success in peace and disarmament matters."

The conversation moved to individual politicians and to foreign politics. Hallgrimsson said that no one has been more memorable than Golda Meir. "She was a fantastic personality and a personification of those tribulations which her people encountered. She was in fact the least attractive woman that I have ever seen but at the same time one of the most attractive." Concerning Icelandic politicians, Hallgrimsson said that rated the most highly in his eyes were former chairmen of the party known by him, Olafur Thors, Bjarni Benediktsson and Johann Hafstein. Among foreign politicians he named Winston Churchill and recalled his understanding for America's position both before and during the last world war.

Speaking of politicians from the annals of history in terms of their personal charm, what does he think about contemporary Icelandic politicians--including himself? There is often discussion of increased mediocrity.?

"Success is the key and things improve with distance," he said. "There is no doubt that Icelandic politics has changed in recent decades, let alone in a period of five decades. It is difficult to make universal judgements but recent politics has been more volatile. Its pace is faster, changes more regular and various fads have more influence than before. Packaging is more important than contents now. The emphasis is on all kinds of tactics and nerve. Concerns about the influence of television in this area show that the image projected on television remains with viewers but the spoken word only to a small degree."

Has television treated him badly in this regard? "I do not think so, it has often helped me," he said, "however, I learned young that it was not a good thing to talk about myself and that it was more important to do one's work

well than to think ceaselessly about how one appears in the eyes of others. This is a fundamental belief with me. But when all is said and done, I think it fortunate to come to the door just as I am. It is on the other hand a misunderstanding that I am some kind of enigma," he said, "although I have not made an appraisal of myself."

--What about the view that you are both obstinate and rigid?

"I would like the image better if the fact were taken into consideration that I am determined and fast in my views," he said smiling. "I feel that I am ready to take the views of others into consideration. In fact I have been criticized for the opposite, that is to say that many have found me too conciliatory, too concerned about the opinions of others and unwilling to act against that what is often the will of the majority."

What about the criticism that you are so one-sided that you are difficult to come to an agreement with?

"On the contrary, I have always been rather successful in making peace with opponents, something opponents will gladly be in agreement about."

Perhaps Geir Hallgrimsson would not need to be a man of compromise if one criticism is true. Although he has not always had a tail wind to sail by politically, his opponents say that due to his wealth and on account of his connections with the most important private mass media in the country, MORGUNBLADID, he has had a certain independence in Icelandic politics?

"My connections with MORGUNBLADID have been no closer than was the case, for example, with both Olafur Thors and Bjarni Benediktsson and I have never used wealth in the political struggle and have not even had any at my disposal."

Hallgrimsson took a seat on the administration of Arvakur, which publishes MORGUNBLADID, at the death of his father in 1954. He became chief of the Arvakur administration in 1968, taking over from Haraldur Sveinsson, present executive director. He said smiling concerning his supposed connections with MORGUNBLADID: "Although I talked much about the interests and needs of Iceland with my friends on MORGUNBLADID, I did not steer their pens nor were my fine friends influenced by my political actions. Both of these things have, however, been asserted, whatever seems convenient at the time. I hope still that my friendship and discussions with my MORGUNBLADID friends has had a good influence upon them just as I know that they have had a good influence upon me." When asked about it Hallgrimsson said that he could well believe that Styrmir Gunnarsson had watched over his personal wellbeing as MORGUNBLADID editor but he said that he knew of no example whereby a news item or article critical of him had been suppressed by the editor of MORGUNBLADID

He said that charges of this sort had always followed him. "When I took a seat on the municipal council in 1954 and my father had sat on the council during the years 1926 to 1930 and again from 1946 to 1954, a certain Hannes on the corner wrote an article in ALTHYDUBLADID to the effect that not only are possessions inherited but also political positions. I found the article

half amusing, now I have long since become accustomed to such articles. I have begun to hear various secret things that have been concealed from me, that it was not my own merits to thank for things, rather I am only my father's son."

That brought the conversation around to his upbringing. His father was Hallgrímur Benediktsson and his mother Aslaug Geirsdóttir Zoega. His paternal grandfather, Benedikt Jonsson became blind when he was 50 years old and his household broke up. "My father came young under the foster care of his friend, Pastor Björn Þorláksson, at Dvergasteinn on Seyðisfjörður. Father came to Reykjavík as a young man, worked first in the Post Office and later in the Edinburgh company. In 1911 he founded his own wholesale business. He married my mother in 1918 and shortly thereafter they left Iceland for a year's stay in New York, where my father was on business. When the couple returned to Reykjavík again they took up residence at Þorvaldсенstraeti 2, the old Independence House, wherein the residence was in the upper story and the office in the lower. While living there the couple produced three children, Ingileif Bryndis in 1919, Björn in 1921 and my elder brother Geir in 1923. He died at the age of one year and I was born the following year. The name Geir is from my maternal grandfather, Geir T. Zoega, the editor."

"I have many good memories of growing up" he continued. "No one, to be sure, had a better one, both a good family and good parents. My father had a very large business and many irons in the fire. I know now that he often took risks and the outlook was especially dubious during the years of the depression. He was successful in his ventures, although I do not think that he saw profit as the most important thing. He was first and foremost a man of energy and enjoyed doing things in a big way. He enjoyed athletics and he applied himself to wrestling and competed twice in the Olympic games. In addition to the fact that he sat twice on the musical council and on the Althing, he had a seat on the administration of the Steamship Company and was chairman of the Trade Council for a while. Both of my parents were in their ways strong personalities. My mother was very careful about the upbringing of the children and my father was more indulgent. I think that he was determined to give us what he himself lacked during his own childhood, including a good education."

Hallgrímsson said of himself as a young man that he had been "rather ordinary. I am not old enough to remember it all," he added scoffingly. He said that he had developed an early interest in politics and took part in the Fjölinn Debating Society in secondary grammar school, when he was 13. The most important topics were the causes and origins of the last war. "People divided up into groups according to whether or not they were supporters of the Americans or favorable to the Germans. I was a great supporter of the Americans and of democracy but those supporting Germany found Britain to a large degree puny since there was unemployment and bad economic conditions there while everything was in good order and under control in Germany. I was chosen chairman of Fjölinn twice, although meeting after meeting brought forth proposals of censure against me and now and again they were agreed to," he said smiling.

Geir Hallgrímsson was also editor of the Secondary Grammar School paper during these years. He recalled one year when he was a student, the year of the republic." We asked the rector of the school to dismiss school that morning,

the day of 17 June, the same day that the establishment of the republic was being celebrated at Thingvellir. A group of newly dismissed students then went there and we thought that we were the offspring of very famous and noble personages with our white collars. And all the male choruses in Iceland had appeared there all dressed in white so that they would be noticed."

Hallgrimsson said that after passing his student examinations he was in doubt about whether to study law or economics. At that time, however, there was no well known economist at the University of Iceland and with the war in full swing Hallgrimsson decided to get a law degree, something that he in fact had had an interest in since childhood. He married Erna Finnsdottir after graduating from the university. The two of them had attended secondary grammar school together and graduated at the same time. "I courted her during my first year in secondary grammar school but she rebuffed me at that time. Yes indeed, she has always made trouble for me," he said smiling.

He had many dealings with student politics while at the University and was the candidate of Boka for student body president the same year that the Keflavik Agreement was much on the agenda. "There was much opposition to the agreement and the battle was an uphill one. Even within Voka, the Association of Pro-Democratic students, there was a split on positions on the agreement in 1946. Subsequent to this agreement, which was on the assistance of Americans were grasping for increased predominance in Iceland." Hallgrimsson was, however, elected chairman of the student council in 1946. He passed his degree examinations in the law department in the spring of 1948 and went to graduate school the following autumn in Boston. "Our first child Hallgrimur, was born there in 1949."

"We returned from Boston after a stay of about a year there. I very much wanted to finish my training in economics but my father had grown old and I felt that I needed to go home." After returning to Iceland, Hallgrimsson took his district bar examinations and opened a law office with Eyjolfur Konrad Jonsson, later editor of MORGUNBLADID. In 1955 he also became chief of H. Ben. and occupied this office until 1959. He was then made mayor, together with Audur Audins, when Gunnar Thoroddsen took a year's leave from that office to become minister of finance.

Asked what his political dreams were then, he said that he seldom thought about such things. "I have always had a burning interest in politics, perhaps more then than now. But it turned out that one thing led to another and I spent more and more time in the world of the politicians," he said.

After Gunnar Thoroddsen resigned as mayor Hallgrimsson took over and became a deputy Althing representative for Reykjavik at the same time and took a seat in the Althing after the death of Bjarni Benediktsson in 1970. He said about Bjarni Benediktsson: "Benediktsson was seventeen years older than I. But he showed me great trust and made me his friend. I first began to get to know him well in connection with debates at the Vardarfundur shortly after I returned home from college. The day after he called me and after that we continually talked together as good friends, although we were not always in agreement. Benediktsson was a man of exceptional talents and gifted. He was

extremely well read and had deep knowledge. He was also realistic and was widely respected for it. I recall on one occasion when we young men were going to criticize one of the party's leaders and Benediktsson said to us that we should realize that although this person was our opponent today he could be our best friend tomorrow. Benediktsson was mostly responsible for holding the party together in 1953 when party members were split in their positions on the presidential elections and Gunnar Thoroddsen and many others supported Asgeir while the party had given its support to Pastor Bjarni."

--When I asked him about the criticism that had been directed at him that the original policy of the Independence Party had turned aside somewhat during the period that he was chairman, Hallgrimsson answered that this was far from the truth.

"The Independence Party has completely preserved its original character, that is, of being a party that will appeal to liberal Icelanders, a party which does not adhere to a set creed but which chooses a path of complete freedom instead of preaching and prohibitions. The strength of the party resides in the fact that there are within it people from all Icelandic classes and from all parts of Iceland and if there is agreement on a policy or on a solution to a problem within the Independence Party then it is assured that the interests of all have been respected, no matter what class people belong to, what position they enjoy or where they reside in Iceland. The Independence Party can never be bound by set pronouncements, such as an absolute monetarism or liberalism or economic liberalism, under all circumstances. There is no doubt whatever that the function of government is important for a small nation like Iceland. Government there can also be strong and be above private interests. Government must first and foremost accomplish its functions by creating conditions for individuals to allow them to be masters of their own fates."

--Asked about the growing income differences among people and the assertion of many that there are now two kinds of people living in Iceland, he said: "I doubt that the income difference is any greater than before. But we are too small a nation to afford the kind of difference in income so common elsewhere. An income difference based on tax evasion on the one hand and tax payments to meet common needs on the other undermines a nation. Furthermore, such inequality cannot be adjusted through preaching, prohibitions, taxes and restrictions; it works like a noose around the neck of economic development or improved state of the nation. Progress is possible only through the freedom of the individual and his initiative. Any citizen of a country able to push ahead and seek profit in his own interest will not be successful except in so far as he satisfies the needs of others at the same time."

--Will the Independence Party be on the rise later after its participation in this government?

"Although I am no admirer of public opinion polls, the following of the party is now no less than the following that it received in the 1983 elections and that was nearly the greatest support that it had received since the beginning of the Recuperation Period, excluding the elections of 1974," he said.

Some who are not happy with the present government coalition say that this government formed between the Independence and Progressive Parties has had to suffer from your open vindictiveness. Would you say that such a government can work together in spite of the disastrous journey of the government by the same two parties from 1974 to 1978, in the wake of the so-called Solstice Agreement of 1977.

"Vindictiveness," he said thoughtfully. "It was the only way out for both. But I think that I have no vindictiveness."

Hallgrímsson referred to the government formation after the elections of 1974 wherein the policy of the Independence Party had turned on three things; renewal of the defense agreement with the United States, which made the participation of the People's Alliance impossible; putting Icelandic economic jurisdiction out to 200 miles; and action against inflation, then between 50 and 60 percent. "We could not gain a majority in the Althing through coalition with the Social Democratic Party and the coalition between the Independence and Progressive Parties was thus the only way out. I offer no apologies for having supported this government and think that it will be remembered in history for its complete victory in the territorial waters dispute and also because of the fact that it marked a trustworthy policy in Icelandic security matters. The third policy goal of the Independence Party was not achieved on account of the Solstice Agreement wherein some parties of the public labor market agreed in an impractical manner with public workers which were, as a result, to receive the same wages. The government reacted by offering half of the improvement in wages but with the cut not referring to the lowest wages. Although the debate cost the government much support in the elections of 1978, the decision of the people was unjust and the people would have been better off if the voters had accepted the government's actions."

Concerning the government formation in 1983 he said that it was similar to what had happened a decade before. "The People's Alliance was neither prepared to carry out effective measures in the battle against inflation, then over 130 percent, nor to give up its age-old policy in security matters. I thus tried to bring about cooperation without the Social Democratic Alliance. The Social Democratic Party was in dire straits on account of division and a fall in support and thus the present arrangement was the only way out. In addition I felt that the two parties could work well together."

--The voters do not seem to agree, that is, if we may judge by recent public opinion polls?

"If people are dissatisfied then they should be dissatisfied with themselves. This government and Icelanders as a whole have achieved enormous success in the battle with inflation and to be sure not at the expense of wage earners. People need perseverance to see the end of inflation. Advocates of wage earner associations which made demands for a 30 or 40 percent wage increase in krona figures when national income had fallen for three years in a row should know that such wage increases are impractical. And even if the wage increases were only granted on two-thirds basis it was clear to all those making the agreement that a foreign exchange reduction or unemployment would follow. I still think, however, that this government has the possibility of carrying out its program."

--You are then certain that the Independence Party will not lose support over the issue?

"The public opinion surveys show a relatively strong position for the Independence Party and it is doing well and picking up support. This government, however, suffers from the fact that it has not reduced the strains and pressures in the labor market that have led to overpayment of public purchasing power that cannot be supported by the export occupations. But this is a difficult way to maintain full employment in Iceland."

Hallgrimsson had very few words about Gunnar Thoroddsen's government formation in 1980, especially as it affects him personally. "To be sure it damaged the party but we were able to hold the party together during the last election and that is an important success in itself," he said.

--Do you now think that Thoroddsen's supporters have had a difficult time within the party since--or on the pages of MORGUNBLADID?

"I think that this often mentioned split has been overstated. It was first of all not a matter of objective differences in basic points of view, it was more a matter of personal ambitions of certain individuals who wanted to secure their positions. Likewise, I think that MORGUNBLADID's position towards this "party breaking" or towards individuals has been based upon the supposition that this government formation could not be a good one and was not a good one. The government in question caused the biggest inflation in Iceland's history and during a period of greatest income and prosperity yet."

--With regard to the party, are you optimistic about the position of the new chairman?

"Yes, I think that the party is well provided for under the leadership of Thorsteinn Palsson and with the support of all Independence Party members. Concerning my own position as a so-called Independence Party elder statesman, I do not think that this harms Palsson in any way," he said when asked. "His position is only in terms of operating regulations within the party itself. Outside the party, each minister is his own spokesman, but the chairman of the party has the key function of being spokesman for government cooperation to the public, for example concerning the policy and actions of the party on each occasion."

--Are you planning to stand for election to the Althing during the next primary elections?

"Yes," he said and smiled, "and I hope to secure the trust of the voters."

--Are you perhaps in a way looking for the chairman's position.

"No," he said after smiling. "The time is gone when a person could be chairman as long as Olafur Thors was in his time. I was going to become the second longest serving chairman. It is good to have others as chairman at present."



--There is a saying that power corrupts and absolute power corrupts absolutely. After such a long time in politics is it not possible that thirst for power will become stronger than anything else?

"In our political system the power of each individual politician is very limited, as it should be, although there are certainly examples of this lust for power. In my case I deny, however, that thirst for power dominates."

--Some say that you are one of the most powerful persons in Iceland?

"Will you promise that this will be the last question if I say yes?"

--Yes.

"No, unfortunately, unfortunately." He laughed. "Power means nothing to me, but I will gladly have the influence to accomplish good things," he then said as if looking forward to the next elections. Indeed, Mr Weber, some politicians have the calling--in spite of it all.

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POLITICAL

NORWAY

RED ELECTORAL ALLIANCE LEADER JAHN-ARNE OLSEN ON VOTE PROSPECTS

Oslo AFTENPOSTEN in Norwegian 1 Jul 85 p 3

[Article by Morten Moller Warmedal]

[Text] Even with an increase of 75 percent in Oslo, the Red Electoral Alliance cannot count on getting a representative into the Storting with the fall election. But the revolutionary party hopes just the same to attract to itself dissatisfied Socialist-Left (SV) voters. Seventy percent of the candidates at the top of the nomination lists are women, and with support from just the women's movement and the labor movement the critics of the bourgeois society will cast a spotlight on the crisis of capitalism, which is making rich Oil-Norway at the same time a Poor-Norway, according to the Red Electoral Alliance (RV).

Around 47 percent of 1,000 voters voted for RV in Oslo in 1983. In order to get Jordun Guldbrandsen into the national parliament, at least 20 additional percent per 1,000 must vote for RV. And naturally the party leadership is not counting on this. But the selection of the candidate will be important, answered RV leader Jahn-Arne Olsen. Jorun speaks a language people understand, he thinks.

In addition to Oslo, efforts are being made especially in Troms, Sor-Trodelag, Nordland, Hordaland and Akershus, where AKP [Workers' Communist Party (Marxist-Leninist)] chairman Kjersti Ericsson is on the top of the list.

As do other miniscule parties, RV complains over the election arrangement provisions, and will not hear any talk of one's vote being thrown away [by voting for RV]. "The support we receive through elections naturally says a great deal on the political opposition in Norway," said Olsen, who asserts that SV, in flirting with the Labor Party without setting prior conditions, has gone over into the ranks of the reformists.

Olsen points to RV's efforts in Oslo city council in order to illustrate how the party will operate if it gets a seat in the parliament. And RV's people have acted with countless questions and interpellations which are now being considered by the political majority. "We realize that the political struggle is occurring in the Storting, regardless of what we may think of it as an institution," asserts Olsen.

The anti-pornography campaign and the six-day week are central elements of RV's national political platform, in conformity with the demand that no state-owned companies be shut down. In addition, the oil funds should be used for solving the basic problems in Norway, to even out differences and most of all to prevent the richest from becoming richer.

The Electoral Alliance has an annual budget of 1.3 million kroner, of which 600,000 originates from private companies. In the weeks ahead until the election 2,500 activists will spread the revolutionary message for the leftist radicals and others who will listen to it. The party will put up lists in all counties.

3639/135

POLITICAL

PORTUGAL

EANES ASSESSES CAREER, CONSIDERS ASSOCIATION WITH PRD

Lisbon TAL & QUAL in Portuguese 28 Jun 85 pp 4-5

[Interview with President Antonio Ramalho Eanes consisting of written answers to questions submitted by TAL & QUAL: "Eanes Opens Up for First Time"; date, place and name of interviewer not given]

[Excerpts] In other countries of greater democratic tranquillity and less pompous cultural habits, it is not uncommon for the chief of state to speak of himself in an informal tone. General Eanes never did that. Until now.

In providing written answers to 26 questions submitted by TAL & QUAL, Ramalho Eanes did so with a candor hitherto unknown to the general public. The interview that follows reveals his frustrations, joys, generosity and sadness, sentiments in which any average Portuguese citizen can see himself. It is the most faithfully recorded picture yet shown of his human dimension.

Readers, here, for the first time, is Ramalho Eanes, the man.

[Question] During your two terms of office, what was your greatest happiness? And what was your greatest disillusionment?

[Answer] The greatest joy was to observe the civic maturity of the Portuguese people, revealed, for example, in their persistent electoral participation, despite all the reasons that could have motivated a different behavior.

The greatest disappointment, our repeated inability to build a modern country that responds to the aspirations of [25] April [1974] with honesty and competence, discipline and work, solidarity and social justice.

[Question] Mention a person you have known in these 10 years who has impressed you with his vivacity, integrity and intelligence.

[Answer] Several persons have impressed me for those reasons. Although it would be unjust to mention only a few and omit, for the moment, the youngest, I cannot fail to mention Torga, Azeredo Perdigao, Henrique de Barros, Palma Carlos, Arala Chaves, Fernando Vale, Vasco da Gama Fernandes.

[Question] Is there anyone--Portuguese or foreign--who, because of his qualities, you would like to have as a collaborator?

[Answer] Salgado Zenha, a politician who always impressed me by the directness and honesty of his behavior, as well as by his intelligence and courage. I feel free to say this, as he never spared me from criticism, even when others did not have the courage to do so.

[Question] Would it displease you if your children chose politics as a career?

[Answer] I would prefer that they seek achievement in other professions, provided that they feel comfortable in them; not that I consider a political career less desirable or less dignified, but bearing in mind how unpredictable it is.

[Question] When Dr Pinto Balsemao was prime minister, you found it necessary to record the conversations you had with him in the presidential palace. Did you ever take this measure again? With whom?

[Answer] I never did it again. The recordings were intended to be only an ingredient of records and work that, in the disruptive situation that existed, could have been beneficial to the prime minister himself, specifically in his work in the Council of Ministers, where he was a mere "first among equals."

[Question] Confirmed Eanists (who do not necessarily cease to be so) "accuse" you of heaping attention upon those who despise you, while neglecting your real friends. Do you consider this "accusation" just?

[Answer] Yes and no. Yes, if one were to say that I never gave priority to friends and friendships in considering or deciding affairs of state. No, if one were to suggest that I abandoned friends or forgot friendships. As for adversaries, I have only been concerned with not feeding hostilities, causing harassment or confusing personal relations with political affairs.

[Question] If Otelo Saraiva de Carvalho asked you to be his character witness in the FP-25 [25 April People's Forces] trial, would you consent?

[Answer] Yes, as a character witness, in reference to the time in which we worked together, a time in which his generosity, willingness and comradeship were uncommon, even impressive.

[Question] If you could go back in time and knowing what you know today, would you return to the command of the Amadora on 25 November 1985?

[Answer] I returned, convinced that the action we were then taking was necessary to make sure that freedom in Portugal was not for only a few Portuguese.

[Question] Do you have nostalgia for the times when you were not president?

[Answer] Yes, especially for the freedom of using my free time and enjoying a certain privacy, even when in public.

[Question] They tell us that when you go to Alcains you do not lose an opportunity to pick up a hoe and cultivate the soil. When in the presidential palace, do you frequently feel the call of your rural background?

[Answer] Yes, I like to pick up a hoe, or pruning shears. I consider very gratifying the "dialogue" that one establishes with the land that is tilled, the plant that is tended, the animal that is cared for. Even in Belem [the presidential palace], whenever I can, it pleases me to take care of the plants in the small inside garden next to the residence. I do the same thing at my home in Madre Deus.

[Question] When you leave office, are you looking forward to being free to do something that your present duties have prevented you from doing? What?

[Answer] I intend to be free, in my spare time, to choose what I shall see, to show my children aspects of life and of the world that I believe are most striking, and to return to systematic contact with the field of psychology.

[Question] Have you ever thought of resigning your office, during these years?

[Answer] Yes, very seriously, at the time of the constitutional revision.

[Question] Do you receive love letters? Do you answer them?

[Answer] A few. I have never answered them. I might add that I destroyed them.

[Question] Ex-president Carter told PLAYBOY magazine that he has committed "mental" adultery," that is, upon seeing an attractive woman he had felt the desire to be intimate with her. Has the same thing ever happened to you?

[Answer] Making use of Christian terminology, I admit to being accused of sinful thoughts, but never words or deeds.

[Question] Do you intend to write your memoirs?

[Answer] No. Not even to publish or allow to be published the letters I received. Some of them cover a long period of insecurity and disruption in which persons revealed themselves in uncharacteristic ways, sometimes positive, sometimes negative. I will not permit the images of some persons to be caricatured in this way, out of the political and temporal context in which these letters were written.

[Question] "Predictions" circulating in the political wings have you heading either the PRD [Democratic Renewal Party] or the Gulbenkian Foundation after leaving office. Which of these duties would you prefer?

[Answer] The foundation has in Dr Azeredo Perdigao its best president; I hope he will continue in that position for a long time. It is not within the range of my intentions to perform any function at the Gulbenkian Foundation.

As for the PRD: when my term of office is over, I may collaborate with the PRD, if it so desires, and if I conclude at that time that it has followed a course of political affirmation that has no room for the forms of behavior I have found fault with in our political-party affairs.

POLITICAL

PORTUGAL

# PSD'S CAVACO SILVA: REASONS FOR BREAKING COALITION

Lisbon GRANDE REPORTAGEM in Portuguese 15-20 Jun 85 pp 32-33

[Article by Manuel Anta]

[Excerpts] The breakup of the coalition is probably the first visible sign that not everything was running smoothly between Cavaco Silva and Freitas do Amaral. How else can one interpret the coup de grace given to the coalition by Cavaco Silva except as an invitation to Ramalho Eanes to dissolve the Assembly of the Republic and call early legislative elections, which are not at all to Freitas do Amaral's liking?

So here we have the new leader of the PSD [Social Democratic Party] suddenly causing alarm among his own supporters and those of the founder of the CDS [Social Democratic Center Party] and throwing them into total confusion.

Aware that politics is a dynamic and never a static process, some of those supporters have searched their memories in an attempt to guess at the reasons why Cavaco Silva adopted "such a surprising" attitude.

It is not easy to separate the wheat from the chaff, but all indications are that Cavaco Silva deliberately chose early legislative elections for the purpose of testing his own and his party's chances before making the final choice as to the PSD's presidential candidate. The Freitas do Amaral card was not an important one in his deck.

His decision is viewed by Social Democratic leaders and deputies of various hues as "a strong and daring gamble, but perhaps one that will yield results."

In other words, if the PSD achieves a good result in the election--that is, many more votes than the PS [Socialist Party]--"the whole picture will change, and Freitas do Amaral may have to return to his university career sooner than expected."

But what if it does badly in the election? Well, in that case, the PSD may have no choice "except to support Freitas do Amaral's candidacy."

Incidentally, there are those who say that Cavaco Silva shifted his initial strategy upon seeing that he could, "more easily than it would be legitimate

to expect, make inroads among Freitas do Amaral's voters and aim at a solution that would favor the PSD to the detriment of Freitas do Amaral."

In that case, Freitas do Amaral would be forced to retreat and placed in a position in which he would "no longer be a danger to the PSD, since if he were not a candidate, he would not be strong enough to establish a new political force."

But there are also those who say--and they are expressing viewpoints held by members of the current PSD Political Committee--that "there is only one candidate: Freitas do Amaral and no one else." The thesis being expressed here is that "Cavaco Silva is a man cut out to be prime minister, not president of the republic. Considering that the PSD has no other credible candidate and that Freitas do Amaral meets all the qualifications for being a very capable president, why complicate something that is simple?"

"Moreover," say the same people, "power resides in Sao Bento [the prime minister's office], not in Belem Palace, where the president of the republic takes action only in times of crisis." Listening to those words, one gathers that the dynamics of the AD [Democratic Alliance] are still alive--and very much so--within the PSD's current leadership. From the standpoint of those dynamics, the possibility of early general elections in Portugal in the near future is not considered a "major problem." And if that group is not afraid that the legislative elections will be harmful to Freitas do Amaral's candidacy, "the reason is that they will be harmful to everyone! Including Mario Soares, who, if he loses in those elections, will suffer the same fate in the presidential election."

In this group committed to pursuing the scenario of Freitas in Belem and Cavaco in Sao Bento, the real fear is that the wheel of fortune will favor the "enemy"--specifically, Francisco Pinto Balsemao. It is not unusual to hear it said that "if Balsemao supports Cavaco Silva's candidacy for the presidency of the republic, it is because he wants to kill two birds with one stone: Freitas out of the presidential race and Cavaco flattened. It is the scorched-earth policy, as is usual with him." That is what is being suggested in those circles.

But how strong is a man who leads (?) an opposition that has kept silent since the defeat it suffered in Figueira da Foz? In such circumstances, how much strength does Francisco Pinto Balsemao have--the only man prepared to stand up, if necessary, to the Freitas-Cavaco tandem? Little or even very little, if we look at the majority of the 49 percent who, having lost at the congress, have taken refuge in the thesis that "when the wave comes, we either move away or get under it, otherwise we will be carried forward with it."

The Cavaco wave is a reality! And it is inspiring fear. Cavaco Silva's opposition is not forgetting words like these: "I am not concerned about the size of majorities or minorities. The 'rank and file' is enough for me, and it is with the rank and file that I want to have dialogue--freeing its voice rather than stifling it." Convinced that it cannot prosper unless Cavaco opens the "cage" of the rank and file--the source of the privileges that go along with



being a deputy or moving in circles of power, the opposition to the new leader emerging from Figueira da Foz is not a major threat for the moment.

Its role at the moment is limited. It can continue to struggle on behalf of a military man (Lemos Ferreira is still a "solution"), a civilian (Mota Amaral or Joao Jardim), or the party leader (Cavaco Silva). It is an inglorious struggle, since the opposition is not committed to using the only weapon at its disposal: a majority on the National Council. Fear of the rank and file's reaction prevents it from doing so.

Cavaco Silva knows this, but he also is not forgetting that support for Freitas may cause serious trouble. Perhaps for that reason, or even because he has the party under his control, he has made up his mind to go all out. If he wins, the PSD will be in his hands for a long time to come and the plan he advocates (recreating the dynamics of the AD) will not be pinched too hard. Quite the contrary: the same policy will be implemented without the annoying presence of Freitas do Amaral.

The conclusion to be drawn is that Freitas do Amaral is beginning to see his life move backward. And it is not the CDS of Lucas Pires that will save him. Lucas Pires has never accepted willingly the scenario of Freitas in Belem, Cavaco in Sao Bento, and himself--pardon the expression--"sucking his thumb." Signs that the CDS in its "new look" does not approve of the "tyrannical father's" return to the political spotlight are very obvious in this statement by a high official in the CDS: "I am not certain that he will go all the way in his intention to be a candidate--that he will not repeat the formula which says that 'having weighed all the circumstances, I have decided not to be a candidate.'"

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POLITICAL

PORTUGAL

# PSD ACTIONS SEEN GIVING AUTHORITY TO PCP

Lisbon SEMANARIO in Portuguese 29 Jun 85 p 3

[Editorial by Victor Cunha Rego: "Will Cunhal Succeed?"]

[Text] Three months ago, to win over Mario Soares without the PCP also winning seemed improbable.

The victory of the PCP over Soares--its principal enemy--came about through early legislative elections, the fall of the PS [Socialist Party] and the appearance in the Assembly of a Trojan horse, the PRD [Democratic Renewal Party], with a modest number of deputies. In these circumstances it would be possible to launch the candidate to Belem of which Alvaro Cunhal has been speaking for many months. On the other hand, the defeat of Mario Soares, without a PC [Communist Party] victory, would have been by avoiding, at all costs, early elections, combining votes of the PSD [Social Democratic Party] and the CDS [Social Democratic Center Party] on one strong and believable presidential candidate and capitalizing on the exceptional circumstance of the Lourdes Pintasilgo candidacy to draw from the prime minister a substantial portion of the votes of the Left.

Two months ago, the candidacy of Freitas do Amaral solved, in principle, this problem and provided a platform of change to a new majority in the legislative elections after the victory in the presidential elections.

One month ago, in Figueira da Foz, Cavaco Silva was apparently aiming at the triumph of this strategy. Besides a probable president, there also emerged a probable prime minister, with credibility and impact.

Eanes was paralyzed and the PRD shattered. The PC was enervated. All that had to be done was wait for 15 July. One step backward, essential for the following two steps forward.

Cavaco Silva did not take the one step backward.

At first glance, a gesture of courage. But was it really?

Of course, courage means the capacity to leave behind accustomed safety and to risk all in a hostile and different milieu. Certainly, courage at a time of commitment is firmness in pursuing fixed goals, is a choice in which the protagonist says: this is I, this is what I am.

But the boundary between courage and narcissism, between courage and false heroics, between courage and ambition, between courage and vanity, is very tenuous.

Was Galileu a coward? Were William of Orange, Kutuzov, Afonso Henriques cowards?

Courage, especially political courage, never exists in a vacuum, never occurs without a structure linked to reality, is never Manichaeism.

The course that matters have taken may not affect Freitas do Amaral. His political influence will increase in the case of an impasse--which is foreseeable--in the future Assembly, provided that--as is also foreseeable--he wins the presidential elections.

But the strategy of a new bloc of power and of government was jeopardized by a fictitious and extemporaneous bipolarization. Moreover, the joint efforts of the PSD and the CDS, which could, with the emergence of the PRD, have given that bloc an unexpectedly sanctioned victory, were set aside.

The only explanation for what is going on is that the PSD expects a substantial electoral victory, absolute or nearly so. Only in such circumstances could an explanation be found for all that has occurred that is incongruent, off course and unsettling--return to Eanes of an unexpected authority, strategic although partial triumph of the PC and the possibility of the PRD having a substantial vote. In October, the bipolarization would be between Cavaco Silva and the communists.

Let us pursue this formidable idea--or this fantasy--and assume for a moment that, on the terrain of the presidential elections, Mario Soares and Lourdes Pintasilgo are swept away, one by the super-PSD and the other by Cunhal and Melo Antunes.

At first glance it would seem a triumph for the Right, but in reality it would bring about the unity of the Left as, with unequaled obstinacy, the PC has desired: under its command. Cunhal knows that without joint efforts, in one bloc or the other, the country is ungovernable, no matter which party gets the most votes. His objective problem now is to undo the current structure of presidential candidates. Will he succeed in this?

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POLITICAL

PORTUGAL

LEMONS FERREIRA: PORTRAIT OF POSSIBLE CANDIDATE

Lisbon SEMANARIO in Portuguese 29 Jun 85 p 11

[From the column "Personality of the Week"]

[Text] Rumors are flying, contacts are more frequent, efforts are growing. Lemos Ferreira always on the crest of the wave, carried by the current to the presidential palace.

An air force general, brilliant military man, acrobatic aviator, he soars above those who support him. But a bird in hand is worth more than a Jumbo in flight: there is no lack of presidential candidates. There is only one chief of the Armed Forces General Staff.

Those who want his candidacy to take flight are rebuffed in a serene tone. High flying, yes, but after the storm.

Partisan of a strong state and the steadfast independence of the nation, he is likewise devoted to an Atlantic view of Portugal, advocating closer cooperation with the former colonies.

He is a symbol of the democratization of the regime: he was the first armed forces chief to initiate his duties after extinction of the Council of the Revolution, of which he was a part.

His reputation for being "tough" makes him increasingly a symbol of the kind of authoritative rhetoric that some view as indispensable.

His possible candidacy is of enigmatic shape. Separate, why?--for us. Unite, but what?--with others. Unite, unite, unite, with still others.

Considered the ideal candidate to be a bridge between Eanism and the Right, it is said that he is the man who could unravel the mystery of that phrase of the president of the republic in 1980: "My plans are those of the AD [Democratic Alliance]."

Then Sa Carneiro fell upon Eanes and the phrase never took off. It was a time when acrobatics cost dearly.

8834

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POLITICAL

PORTUGAL

# PSD LEADERS' STATEMENTS CAUSE CONFUSION, PERPLEXITY

## PS-PSD Bipolarization

Lisbon EXPRESSO in Portuguese 29 Jun 85 p 3

[Article by Jose Antonio Saraiva in the column "Politics the Portuguese Way":  
"Salgueira and the Virtues of Bipolarization"]

[Text] At the National Council of the Social Democratic Party [PSD] held in Curia, the leader of the internal opposition, Joao Salgueiro, said more or less this: the PSD will hardly be able to govern the country without an understanding with the PS [Socialist Party], because the socialists, in the opposition, would unleash social agitation of unforeseeable consequences.

Salgueiro's statement is, for several reasons, surprising.

As a matter of fact, following his reasoning, we would be led to think that alliances between parties are determined, preferably, not by their closeness or the existence of common objectives, but rather by fear. Said in a different way: a party should ally itself with another whenever it is afraid of it.

Following the same viewpoint, an "agitation capability" would be an attribute that all parties should develop as an indispensable condition for aspiring to enter the government. A party that cannot agitate is unlikely to become part of the executive branch--because it would be unable to find anyone willing to enter into an alliance with it.

It is unnecessary to add anything more to show that the reasoning of Joao Salgueiro in the National Council of the Social Democratic Party is, at the least, debatable.

In fact, it is hard to understand that a party leader with high-level responsibility would assert that his party would not be able to govern even if it wins the elections--because this admission of impotence is enough to discourage an entire electorate, no matter how loyal it may be.

But, putting aside the manner in which Salgueiro made his point and moving on to the basic question, one asks: would the alliance with the PS be the best thing for the PSD?

The answer is "no" and the reasoning is simple: the PS and the PSD, to the degree that they are the two largest parties in Portugal and represent the two major voting options, should serve as nuclei for the two major government alternatives.

In addition to this, bipolarization has other advantages.

On the one hand, it helps clarify the political spectrum--in that it means the voters must choose between the Left and the Right; on the other hand, it favors rotation of power.

In this respect, the two possible alternatives to bipolarization are both poor.

The first would be institutionalization of the system of alliances, at the mercy of current conditions.

That is: the electorate, instead of facing the need to choose between the Right and the Left, would have to vote for the CDS [Social Democratic Center Party], the PDS, the PS, the PRD [Democratic Renewal Party] or the PCP, without knowing what would constitute the government after the elections--whether the government would be PS-PSD, PSD-CDS, PS-CDS, PS-PRD, PSD-PRD-CDS, or any other combination.

It is clear that this alternative is undesirable because it would result in, not political clarification, but political confusion.

The second alternative to bipolarization is the central bloc.

To define it, imagine the struggle between parties as a boxing bout.

In a democracy, the fighting within the ring is usually waged between the government and the opposition.

When there is a central bloc, however, this is not what happens.

The struggle is waged between the two parties that make up the government, with the opposition parties as spectators.

In this combat, the parties in power constantly deplete themselves.

The opposition, to the extent that they do not enter into the struggle, do not lose points but neither do they gain any.

And, at the end of the duel, it is not known for certain who should govern the country in the future and who should remain outside--because, if the government falls, the opposition can hardly be declared the winner.

#### PSD Alliance Undecided

Lisbon A TARDE in Portuguese 26 Jun 85 p 8

[Article by Jose Ribeiro e Castro: "The Slip"]

[Excerpts] Considerable surprise was caused by that astonishing statement made by engineer Eurico de Melo, during the time that he was vice president of the

PSD, to the effect that, after the early legislative elections, the PSD could make alliances "with either the CDS or... (surprise!) the PRD."

It is hardly worth pondering at this point whether this assertion, which is the only one known in regard to the political future of PSD alliances, was dictated by mere political ingenuousness. If only because, when it comes to matters of ingenuousness, it still remains to be seen whether it constituted saying what was not really being contemplated or, on the other hand, inadvertently revealing what was indeed being planned.

It's too bad that this is the case and that this is one of the worst disservices done Professor Cavaco Silva and one of the worst that the Cavaco Silva leadership will have done itself, if it lets this climate of ambiguity persist and drag on.

The major question that most profoundly affects the PSD today--which just recently left the Central Bloc--and that will affect it before the electorate is in regard to the enormous uncertainty and insecurity that a vote for the PSD seems to represent and on several occasions has represented.

One never knows what will happen.

The insecurity of voting for the PSD is, in fact--this is the way it has been--traditionally very great. It is now almost a legend of this regime.

With the exception of the periods of Sa Carneiro leadership, when one chose the PDS he never knew what the PSD was choosing and was going to choose. Not even the gods know--only the unrepentant National Council of the PSD, always unstable, uncertain and turbulent. The PSD is, in fact--it has been--what can be called a party of "provisional forecast."

And thus it apparently wishes to remain.

Of course, since Figueira da Foz, with Cavaco Silva, many, myself included, thought it would change. But even so many questions remain. What about joining forces with the CDS? What ever happened to a simple answer to the proposal for an "Alliance for the New Republic" that the CDS made, through Lucas Pires and the Political Commission?

The negative reply, by television, came via the authorized voice of Eurico de Melo, on two occasions. The first time, "no pre-election agreements." The second time, "the PSD can ally itself with the CDS, or... the PRD."

But even before this monumental slip, which once more relegates us to a "wait and see" situation, one already with a danger signal (the PRD), other basic questions remained as obstacles to the security of a vote for the PSD and need to be clarified.

In fact, at the Figueira da Foz congress, Cavaco Silva was elected, but Pinto Balsemao was also elected. Pinto Balsemao was, in fact, the only member of the minority to win, against the tide, at Figueira da Foz. And so, no matter how

highly one esteems Cavaco Silva, but knowing the traditional uncertainty and instability of the National Council of the PSD, the question remained and is still open: is voting PSD a choice for Cavaco Silva or a choice for Pinto Balsemao? What road will the National Council of the PSD take, after having received the votes? What trust can one put in a vote whose final result is not known? What kind of a mandate can be given to one who has not yet given itself a mandate and does not know for what it should consider itself mandated?

And, in terms of the presidential election, what will the country decide at the end of the year: is a vote for the PSD a vote for Freitas do Amaral or a vote against him? Is a vote for the PSD a vote for the path of democratic change or is it a vote to persist in this sluggish and constantly more confusing situation? Is a vote for the PSD a vote for a free and just, dynamic and modern, prosperous and hopeful future for Portugal, or is it a vote to still bar the way? What will the PSD do to the votes, after it has them?

This is why engineer Eurico de Melo's slip was serious. Because it added to another fundamental reason for uncertainty: is a vote for the PSD a vote for the PSD or for the PRD? Is a vote for the PSD a vote for change or to support the latest sustainer of the impasse (the PRD)? Is a vote for the PSD really a choice of new paths or is it still an insistence upon old absurdities?

Being certain that the PSD and the PRD will not have a majority, what does the PSD intend to do? Make over the Central Bloc in a PSD/PS/PRD or PS/PSD/PRD version? Remake the Central Bloc with the blessing, the alliance and the sponsorship of the Eanists? Make over the Central Bloc with the introduction of this larger MDP/CDE [Portuguese Democratic Movement/Democratic Electoral Commission] which is the PRD? Make over the Central Bloc at the side of this mini-APU [United People's Alliance]?

And what about the "structural reforms"? And the "sense of change"? And constitutional revision? And the "firm decision"?

As a matter of fact this was an enormous slip that was made by engineer Eurico de Melo, vice president of the PSD, in opening the doors to this strategic instrument of the Communist Party, this highest common divisor of democracy, which is the PRD.

How can the voters feel safe? How will the PSD, in the passage of time, explain all this?

What is a vote for the PSD? Is it for the PSD or the PRD? Cavaco Silva, Eurico de Melo or Pinto Balsemao? What option does the nation have? What choice for the presidential elections at the end of the year? What road of change or what fascination with things as they are? A real choice or another deception? A choice or a trade-off?

What has the PSD already chosen to be able to be chosen? The PRD? Heaven help us! Unless the PSD's new program is to want to be the debutant's ball of the more chic adolescents of the APU. Or unless it really wants to be confirmed as "ground that gave grapes."

After the slip, all this must be clarified. Let us see. It is always good to be able to have things clarified.



PORTUGAL

POLITICAL

POLLS' RESULTS: UNDECIDED HAVE UPPER HAND

Lisbon SEMANARIO in Portuguese 29 Jun 85 pp 9-10

[Article by Margarida Viegas]

[Text] The nation has become as confused as its parties and its president, and with the same difficulty of putting together a new majority government; if the top leadership cannot find its way, neither it seems are the people capable of solving the problem for them in another election. In this first NORMA/SEMANARIO poll about legislative elections made since the breakup of the central bloc, the electorate castigates the PS [Socialist Party] and pushes forward the PSD [Social Democratic Party]/Cavaco--but leaves the real decisions in the hands of a powerful column of undecided voters and the miniscule but growing PRD [Democratic Renewal Party].

First of all, dear politically disenchanted reader of the SEMANARIO, a notice: permit it to be recorded that NORMA not only does not make a living from politics but it would be disastrous if it were even subtly put at its service. Our newspaper, in turn, not directly dependent upon politics, is far from aloof to it and, in terms of editorial policy, has made and continues to make its choices. But, once and for all: neither does NORMA fabricate figures to our advantage nor do we torpedo the figures coming out of NORMA's computers--which, as they enter with their eyes shut, have frequently caused profound displeasure for this newspaper's editorial policies. A whole paragraph is wasted on this statement because the perfidy of certain insinuations is beginning to exhaust the patience of those whose professional duty it is to study and interpret the tedious columns of percentages.

Accordingly, this poll--which, like all those we have made about the legislative elections, was conducted by the method of placing the "vote" in a closed ballot box--is not something to corrupt our little world. Continuing to climb up the walls of the well in which it threatened to sink, the PSD, with 1.2 points gained in June after the start-up in May, has Cavaco to thank for 4.3 points and a rise from fourth to first place in 2 months: "so far, so good," the shock treatment of "all or nothing" shows results; and the PSD shows once again its famous magic act which consists of, moments before the apocalypse, changing leaders, escaping the just ire of the public unleashed by its past behavior and taking the risk of winning another election.

But it needs almost twice as much to reach the historic peak reached by Mota Pinto in 1983 if it is to be able to form a majority with the CDS [Social Democratic Center Party], and even more (although how much is not known) [to have a majority] without alliances.

The more so because, due to the good or evil of the social democratic sins, breakup of the bloc magically pulled down the centrists (-2.2 percentage points), who continued, however, to enjoy the comfort of being the only parliamentary party to have grown since the last elections. But the great victim of the rift seems to be the PS, whose electorate, shrinking more than 3.5 percentage points, is reduced to its lowest point ever, 19.8 percent, while that of the APU [United People's Alliance] neither rose nor fell. But the really disruptive political news in this chaos of ours is the effect of the celebrated fifth party: just as theory predicted and practice threatens to demonstrate, the PRD--which in this poll, taken before the Tomar Convention, rose 2.5 points--may eventually be able to decide the formation of majorities. Let's look at the figures.

But, before the figures, another remark. As certain particularly perspicacious circles have mentioned to us, there are other localities in the country besides the six cities systematically taken into account in the NORMA/SEMINARIO polls: Lisbon (which elected 56 deputies in the last elections), Porto (38), Coimbra (11), Evora (5), Vila Real (6), Viseu (10). Although, altogether, this universe is responsible for electing 126--or one-half plus one--of the 250 members of the Assembly of the Republic, it is also certain that localities such as Setubal, Aveira, Braga and Santarem elect more deputies than does Coimbra, and that few elect fewer than does Evora. However, the sample we use has the advantage of covering the large cities and the less-favored interior, the North, Central and part of the South Alentejo regions, all of which are critical.

But as the reader will see in the table below, the percentages obtained in 1983 by four major parties in the six cities as a whole--percentages upon which we of course base the analyses--do not coincide with those recorded nationwide. The latter are greater than the former in the case of the PS and the PSD--and hence presumably at a disadvantage in all our polls--and greater [as published; less?] in the case of the CDS and the APU--and, by the same reasoning, presumably at an advantage. So this time we have tried to estimate, based upon the results from the six cities and assuming that the relationship between these results and those for the nation as a whole are the same as in 1983, a party barometer for the entire nation. The effort--we admit--is somewhat daring and it is clear that the precise NORMA statistics do not necessarily sanction these conclusions.

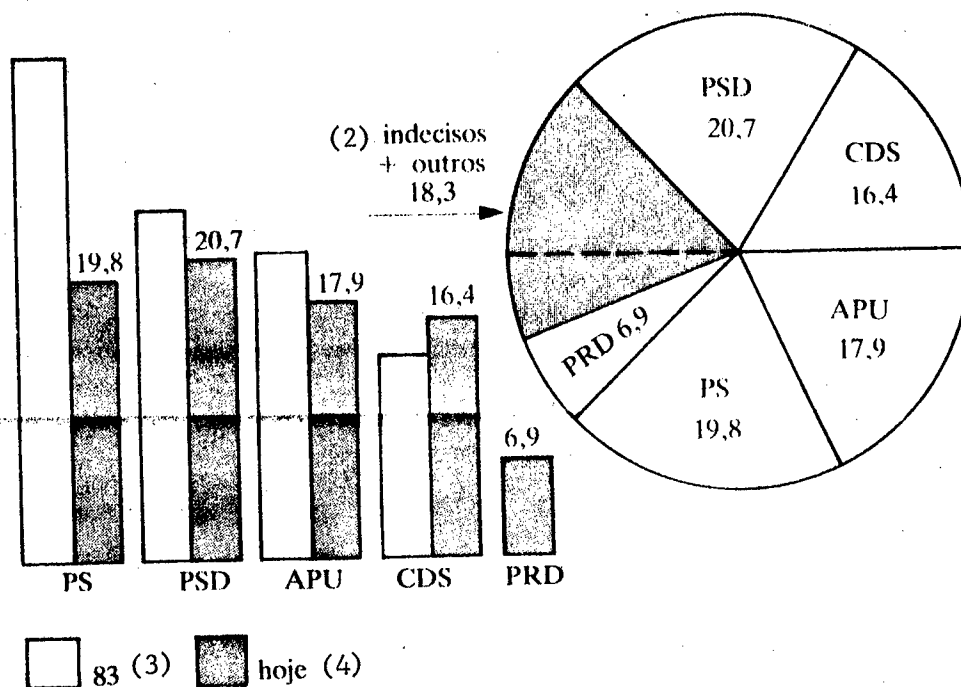
And, after all, what have we learned? That, whereas in the set of six cities the PS/APU total exceeds the PDS/CDS total (although by a mere 6-10ths of 1 percent), in our nationwide extrapolation the reverse happens--the PSD/CDS total is greater.

#### In 6 Cities

So let us begin by walking on the firm, although restricted, terrain of the six cities investigated by NORMA. And let us try to make majorities.

One headache, to begin with, due to the 16.8 percent who are undecided--almost twice as many as 2 months ago, a multitude more numerous than the entire electorate

- (1) Linha de maioria passa pelos indecisos  
 --- PRD não basta para formar ou destruir maiorias



### The Current Scene

- Key: 1. Majority line passes through the undecided voters--PRD does not have enough to either form or destroy majorities  
 2. Undecided plus others, 18.3%  
 3. 1983 elections  
 4. Current poll

|     | (1) Eleições Abril 83   |                    | (2) «Eleições» hoje     |                      |
|-----|-------------------------|--------------------|-------------------------|----------------------|
|     | (3) Total nas 6 cidades | (4) Total nacional | (3) Total nas 6 cidades | (4) Total nacional * |
| PS  | 35.0                    | 36.1               | 19.8                    | 20.4                 |
| PSD | 24.8                    | 27.2               | 20.7                    | 22.7                 |
| APU | 21.1                    | 18.1               | 17.9                    | 15.3                 |
| CDS | 14.0                    | 12.6               | 16.4                    | 14.7                 |

(5)

\* Calculado no pressuposto arbitrário --- mas o único possível --- de que a proporção das diferenças entre a votação nacional e a do conjunto das 6 cidades se mantém hoje igual à de 1983

### In Search of Majorities

- Key: 1. April 1983 Election Percentages  
 2. Current Poll Percentages  
 3. Total for the Six Cities  
 4. Nationwide Total  
 5. Based upon the arbitrary assumption--but the only one possible--that the proportion of the differences between the nationwide vote and that of the six cities is the same today as in 1983.

| Total das 6 cidades (1) |                   |               |             | Lisboa   | Porto    | Coimbra  | Évora    | V. Real  | Viseu    |
|-------------------------|-------------------|---------------|-------------|----------|----------|----------|----------|----------|----------|
|                         | Eleições<br>83(2) | Maio<br>85(3) | Hoje<br>(4) | Hoje     | Hoje     | Hoje     | Hoje     | Hoje     | Hoje     |
| Abstenção (5)           | 19.0              | 20.9          | 19.6        | 20.8     | 15.6     | 24.3     | 15.6     | 21.8     | 20.6     |
| Votação (6)             |                   |               |             |          |          |          |          |          |          |
| APU                     | 21.1              | 18.2          | 17.9        | PSD 20.3 | PS 23.2  | PS 22.7  | APU 29.6 | PSD 31.7 | PSD 27.4 |
| CDS                     | 14.0              | 18.6          | 16.4        | APU 19.2 | PSD 21.0 | PSD 20.4 | PS 21.7  | PS 25.8  | PS 23.9  |
| PSD                     | 24.8              | 19.5          | 20.7        | PS 17.9  | CDS 17.9 | CDS 19.9 | PSD 20.4 | CDS 17.5 | CDS 20.0 |
| PS                      | 35.0              | 23.3          | 19.8        | CDS 16.1 | APU 14.4 | APU 16.1 | PRD 9.7  | APU 8.7  | APU 9.6  |
| PRD                     |                   | 4.4           | 6.9         | PRD 5.5  | PRD 10.8 | PRD 1.9  | CDS 2.8  | PRD 5.5  | PRD 4.3  |
| Outros(7)               | 3.2               | 3.5           | 1.5         | —        | 3.5      | 2.3      | 10.2     | 4.4      | 7.4      |
| Brancos/nulos<br>(8)    | 1.9               | 12.5          | 16.8        |          |          |          |          |          |          |
| Indecisão<br>(9)        |                   |               |             | 21.0     | 9.2      | 16.7     | 5.6      | 6.4      | 7.4      |

#### NORMA/SEMANARIO Poll About Upcoming Legislative Elections

- Key:
- |                          |                               |
|--------------------------|-------------------------------|
| 1. Total of 6 Cities     | 6. Voting                     |
| 2. 1983 Election Results | 7. Others                     |
| 3. May 1985 Poll         | 8. Blank or Nullified Ballots |
| 4. Current Poll          | 9. Undecided                  |
| 5. Abstentions           |                               |

of Dr Lucas Pires, and even more undecipherable; hesitating between what and whom? APU or PRD? Will switch to Dr Soares? PSD and CDS? Stay home? Where can we show that substantial column graphically? If even they themselves do not know, we know even less; it remains floating.

It must also be borne in mind that there are two types of a majority: those that are used to govern, and those that are used to prevent the others from having a majority. The proverbial example of the latter type is the PS/APU, which if they allied to govern would not ally, but which are already agreed on allying in order to obstruct. If the figures let them.

And, after all, what are the figures?

- a) PSD + PS = 40.5 percent;  
CDS + APU = 34.3 percent.

In other words, the bloc that just broke up continues to be the majority. But:  
CDS + APU + PRD = 41.2 percent.

Reading: if the PRD were already in the AR [Assembly of the Republic], it could decide the downfall of the bloc.

- b) PSD + CDS = 37.1 percent;  
PS + APU = 37.7 percent.

Explanation: In this poll, the so-called "majority of the Left" continues, by 6-10ths of 1 percent. But: PSD + CDS + PRD = 44 percent, which means that Eurico de Melo, in admitting on television the possibility of a post-election understanding with the PRD, may not have been showing a great deal of bipolarization orthodoxy, but at least gave some indication of arithmetical expertise.

- c) PS + CDS = 36.2 percent;  
PSD + APU = 38.6 percent.

In sum, and if the six cities have their way, the PS seems to have lost its majestic power of forming a majority with any one other party--and the CDS, even if it wanted, would not be able to prevent the PSD and the APU from joining to prevent a resurrection of the "unnatural" government of 1978.

And Nationwide

Looking now at the estimates we made for the entire nation.

- a) PS + PSD = 43.1 percent (63.3 percent in 1983);  
CDS + APU = 30.7 percent (30 percent in 1983);  
CDS + APU + PRD = 37.6 percent.

The long-standing majority has shrunk by one-third but, if it had not died, it would still live; its opposition after 2 years remains unchanged (what the CDS gained the APU lost) and even with the hypothetical help of the PRD it could not defeat the bloc.

- b) PSD + CDS = 37.4 percent;  
PS + APU = 35.7 percent;  
PS + APU + PRD = 42.6 percent.

The imbroglio is plain to see: unlike what the figures restricted to the six cities indicate, in this extrapolation to the entire country PSD/CDS are in the majority. If the PRD remained silent, they could govern; if the PRD joined the PS and the APU, any majority government could be blocked. This is the system.

And now that the bloc has gone on television and announced that it no longer existed, where is the country to turn?

Cavaco Silva has certainly made an impression on the public: regardless of the strength or weakness of his arguments, the great conviction with which he expressed them resulted in a rise of the PSD, which only Porto among the six cities contradicted. The vital reconquest of Lisbon was thus achieved (where, thanks to a new advance of 2.4 percentage points, the social democrats moved directly from fourth to first place) and also that of Vila Real (up 2.2 points, added to a very favorable rebound in May). But Cavaco's crowning glory is the spectacular turnaround he achieved after the horrified reaction with which his appearance as head of the PSD was received in Coimbra and Viseu during May, when they promptly and thoroughly

transferred allegiance to the PS and the CDS. Having recovered from the first shock and thought things over, the PDS now rises more than 7 percentage points in both cities. And Coimbra, which since the departure of Mota Pinto had consigned the PSD to the nettles, seems finally to have dared to reconcile.

It is also the only city where the CDS rose simultaneously with its former AD [Democratic Alliance] partner, as occurred in Lisbon and Vila Real during May. Now, since the breakup, where one gains the other loses and vice-versa--which, given the sweetness of June for the PDS, means bitterness for the CDS almost everywhere, especially in Lisbon (down 3.3 percent), Vila Real (down 4.4 percentage points) and Viseu (down 7.7, after a deceptive gain in May).

In Porto, however--the only city, remember, that was unfavorable for the PSD--the party of Lucas Pires stood firm. But strange political vibrations emanate from the capital of the North, which, after having shown a leaning toward Pintasilgo for the presidency, now admits it is vulnerable to the charms of the PRD. The latter, although having taken, for its size, a big leap--from 4.4 percent to 6.9 percent, in a growth that only Viseu ignored--had a substantial following only in Porto (10.8 percent) and Evora (9.7 percent). The worst setback was in Coimbra, where the party of Herminio Martinho drew 1.9 percent. In any event, as abundantly stressed, these modest shares of the vote, that for now look like mere leftovers, may eventually decide the formation of a majority; without, moreover, overlooking the not-totally-absurd possibility of the leftovers becoming a real force.

Of the PS it can only be said that, with the disruption that occurred in its plans, it rose only in Evora: 1.7 percent. Which means that it fell in all the other cities--as indeed it had already been doing in Lisbon, Porto and Vila Real and is now doing in Viseu and Coimbra, which had fallen into its arms when Cavaco came on the scene.

In regard to the APU, the following notice: everything is the same.

#### Technical Data

Universe; Portuguese population over 18 years of age living in the cities of Coimbra, Evora, Lisbon, Porto, Vila Real and Viseu. Sample: 605 individuals. Sampling Method: Random, stratified nonproportional allocation. Selection: By the random route method for households and, within these, by the Kish method for the individual to be interviewed. Technique: Direct and personal interview, through a structured questionnaire, in the home of the person interviewed. Sampling Points: Six cities in which points of departure were selected. Field Work: Interviews conducted between 14 and 21 June 1985. Margin of Error: At the total level the error is within  $\pm 4$  percent in a confidence interval of 95 percent for  $p = 50$  percent. Responsible Institution: The poll was conducted by NORMA, Inc., Portuguese member of Gallup International.

### 1983 Election Results

| <u>Party</u> | <u>Percentage of Votes</u> | <u>Number of Deputies</u> | <u>Percentage of Deputies in AR</u> |
|--------------|----------------------------|---------------------------|-------------------------------------|
| PS           | 36.1                       | 101                       | 40.4                                |
| PSD          | 27.2                       | 75                        | 30.0                                |
| APU          | 18.1                       | 44                        | 17.6                                |
| CDS          | 12.6                       | 30                        | 12.0                                |

#### In Search of Votes

Shown above is the method of Hondt. After all, what percentage of votes does a party (or the total of several not forming a coalition) need to become a parliamentary majority?

It is impossible to compute: all that is known is that, as the table shows, the larger parties tend to have a parliamentary representation proportionally greater than the vote obtained, whereas the reverse happens to the small parties.

And the geographic distribution of the votes, their concentration or dispersion, also play a decisive role in the relationship between the verdict of the ballots and the composition of the Assembly of the Republic.

At this moment, in comparison with the results of the 1983 elections, the parties as a whole, in the 6 cities of the poll, have lost 24.2 percentage points: the PS, 15.2; the PSD, 4.1; the APU, 3.2; and others, 1.7 percentage points. To recover their positions of 2 years ago they need 24.2 percentage points, but there are only 16.8 to distribute among them, as in the meantime the CDS increased its share and the PRD came into existence. Of this appetizing and insufficient cake, PSD and CDS will have to work hard to carry off at least half if they wish to form a majority; the PS will have to eat it all to show that after all the nation understood its patriotic effort at governing; and the PRD must make off with a slice that can be seen, to prove that it exists. It will be beautiful.

#### Switching

In this anxiety of securing what one has or had and attracting what others had, what are the trends of vote switching?

APU: to the PRD, to the PS only in Lisbon; indecision reigns.

PS: to everyone; much uncertainty and some abstention; votes switching to the PSD only in Coimbra and Vila Real; except in Coimbra, switching to the PRD.

PSD: to the CDS in all six cities; to the PRD only in Porto and Evora; to the PS only in Evora and Lisbon.

CDS: to perplexity; to the PSD only in Lisbon; in Lisbon, also to the PRD; in Viseu, to the PS.

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CSO: 3542/214

POLITICAL

PORTUGAL

#### POLL ON PARTY RANKINGS IN EARLY ELECTIONS

Lisbon TEMPO in Portuguese 6 Jun 85 pp 12-13

[Text] If legislative elections were held now, new coalitions for forming new governments would have to be tried out. This is shown by a poll conducted for TEMPO by Euroexpansion. More people would abstain from voting, the PS [Socialist Party] would still be Portugal's biggest party, and the PRD [Democratic Renewal Party] would end up in fourth place, leaving the CDS [Social Democratic Center Party] in fifth place. The PSD [Social Democratic Party] would remain in second place, and the APU [United People's Alliance] would keep its position as the third-largest party.

The Left, which has received the most votes in every election held in Portugal since 25 April 1974, would see its leading position jeopardized if early legislative elections were held now. The only reason is that those not voting in elections are traditionally on the right, and according to a poll conducted for TEMPO by Euroexpansion, the abstention rate would total 24.6 percent and the PS would stay out in front with 26.9 percent. It would be followed by the PSD with 23.5 percent, the APU with 19.1 percent, the PRD with 14.9 percent, and the CDS with 14.5 percent.

According to the poll, voting results would be as follows:

|                   |        |
|-------------------|--------|
| Registered voters | 100.0% |
| Abstention rate   | 24.6   |
| Those voting      | 100.0  |
| APU               | 19.1   |
| CDS               | 14.5   |
| PS                | 26.9   |
| PRD               | 14.9   |
| PSD               | 23.5   |
| Other             | 1.1    |

Note: As is to be expected, there is very little intention to cast blank or void ballots. In the actual voting, the number of such voters totals about 3 percent of those casting ballots.



The Euroexpansion-TEMPO poll was conducted using a universe of voters on the mainland residing in localities with five or more households. The sample consisted of 1,004 individuals who were contacted personally.

The sample was selected at random and stratified by region, habitat, and level of socioeconomic development. Those variables, as well as age, sex, and the voting pattern in 1983, were used to balance the sample.

The fieldwork was done by 58 interviewers in 214 localities between 29 April and 24 May 1985.

With a probability of 95 percent, the maximum semirange for a ratio's confidence interval is 0.031, according to Euroexpansion.

Among the inferences that can be drawn from the poll results, one deserves special mention: it is that coalitions will continue to be necessary to govern Portugal and that their importance will increase steadily if the current trend toward a smaller number and lower percentage of voters for the so-called big parties continues.

Contrary to what many people might believe, the PRD is being made viable by the votes of the discontented Left, and it is drawing voters from a group that is deserting the PS, the PSD, and the APU as well as many people who chose not to vote in the 1983 legislative elections.

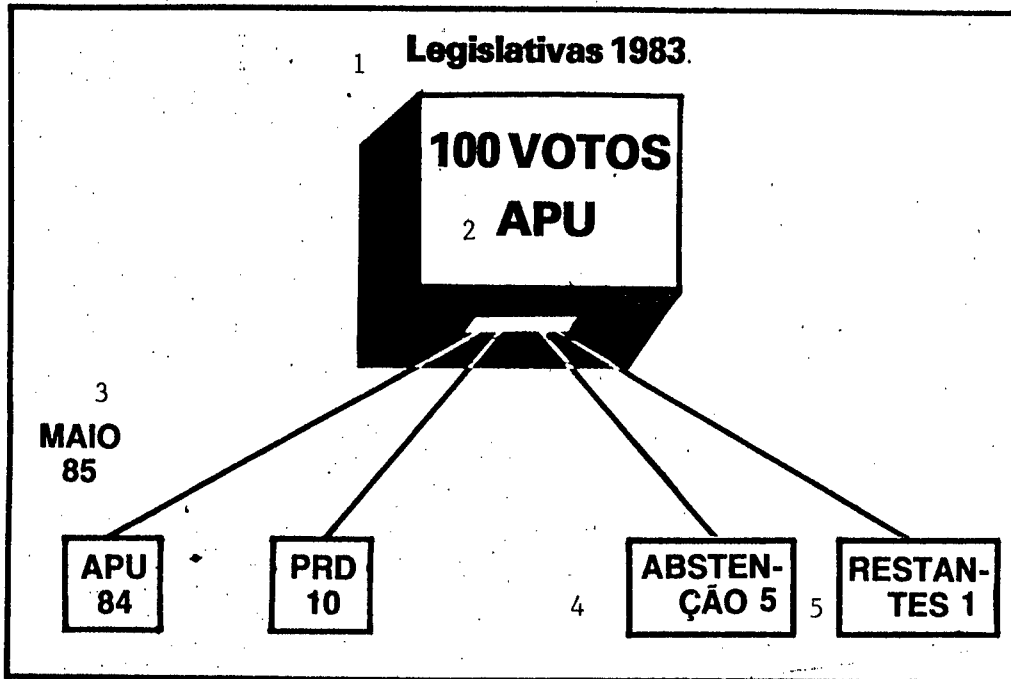
None of the parties is picking up voters in comparison with the previous legislative elections. The PS is losing one-third of its voters, the PSD and CDS are losing one-fourth of theirs, and even the APU is losing, although to a smaller extent than the other party organizations: it is losing one-fifth of its voters.

As was to be expected, the PS is the party losing the most voters--the result of what has come to be called the "wear and tear of being in power." Its loss amounts to about 19 percent of the voters, and about 60 percent of those lost votes are going to the PRD. Despite that, the PS is still Portugal's biggest party.

The Socialists and Social Democrats combined are supported by over 50 percent of Portuguese voters, according to the results of the Euroexpansion-TEMPO poll. The combined vote for the PSD and CDS probably does not exceed 39 percent, and the combined vote for the "Left" (PS, APU, and PRD) totals over 60 percent.

The parties losing the most from the higher abstention rate are the PS, the PSD, and the CDS, and if the losses are balanced against the gains, it is seen that the PSD is in a better position than the CDS.

### APU Vote Shifts

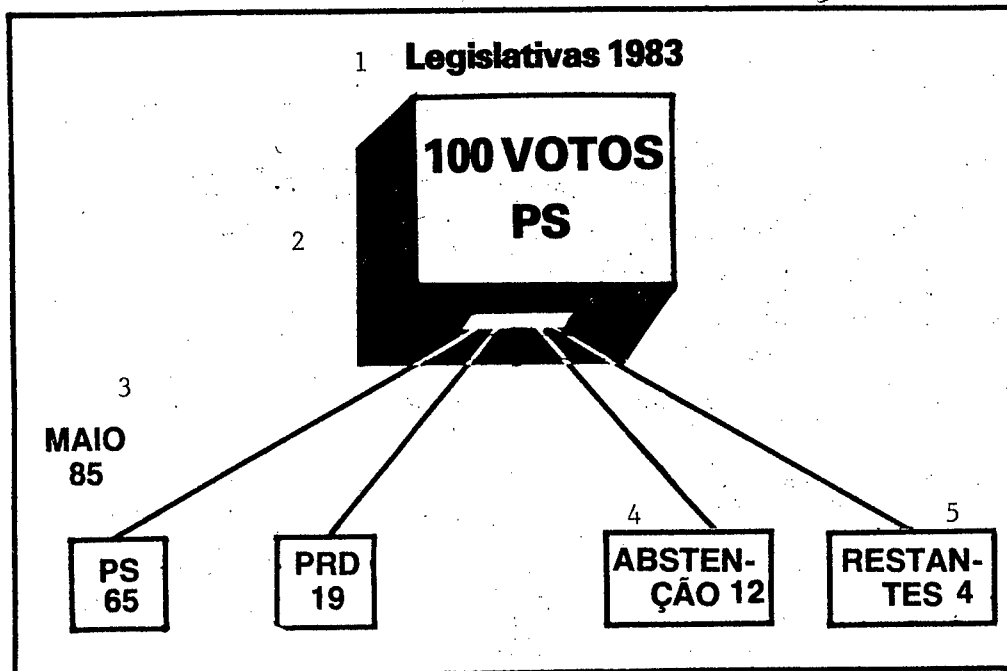


APU voters are traditionally loyal, but if called on to vote in legislative elections, 10 out of a universe of 100 would give their votes to the PRD, and 5 would abstain. This would mean a loss in favor of the social democratic-socialist area occupied by the PRD.

#### Key:

1. 1983 legislative elections
2. 100 votes for the APU [in 1983]
3. May 1985
4. Abstention
5. Other

### PS Vote Shifts

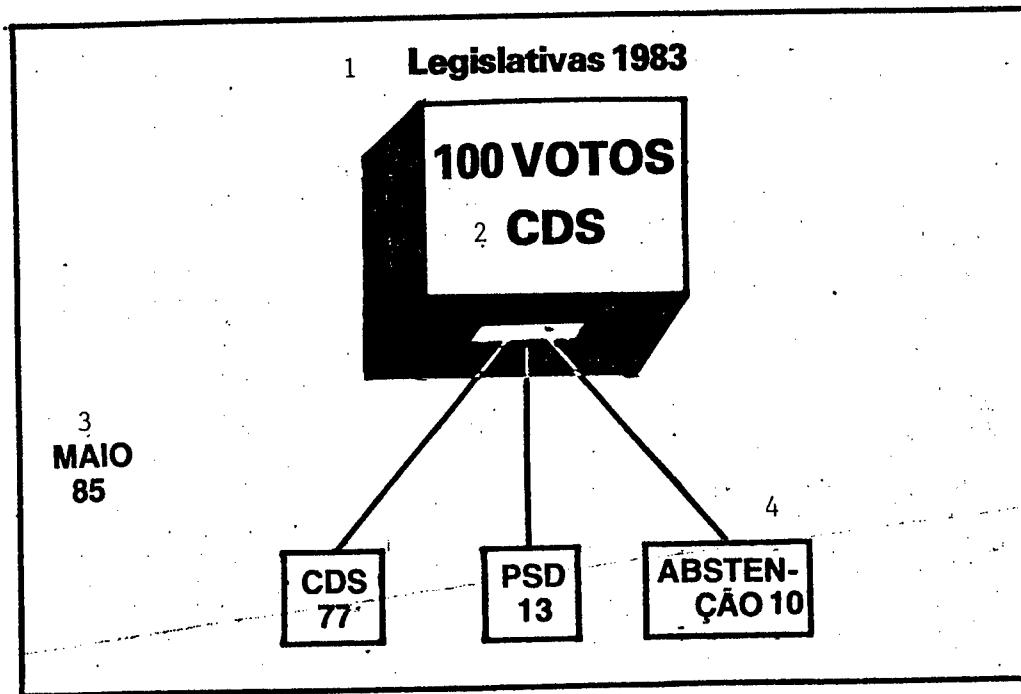


As far as the Socialists are concerned, elections now would see 19 out of 100 go over to the PRD, while 12 would abstain. This reflects a shift by voters to the right through abstention and to the PRD's social democratic-socialist area.

**Key:**

1. 1983 legislative elections
2. 100 votes for the PS [in 1983]
3. May 1985
4. Abstention
5. Other

### CDS Vote Shifts

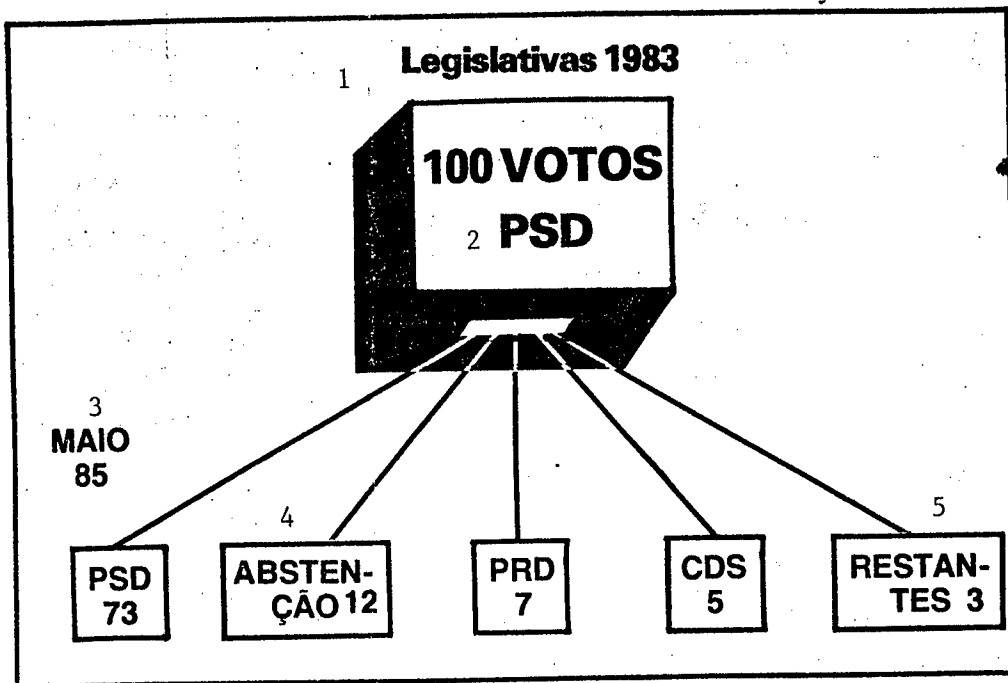


Of those who voted for the CDS in 1983, 13 (out of a universe of 100) would vote for the PSD and 10 would abstain. This means that there would be a shift to the right (through abstention) and a move to the wing known as liberal-social democratic.

**Key:**

- 1. 1983 legislative elections
- 2. 100 votes for the CDS [in 1983]
- 3. May 1985
- 4. Abstention

### PSD Vote Shifts

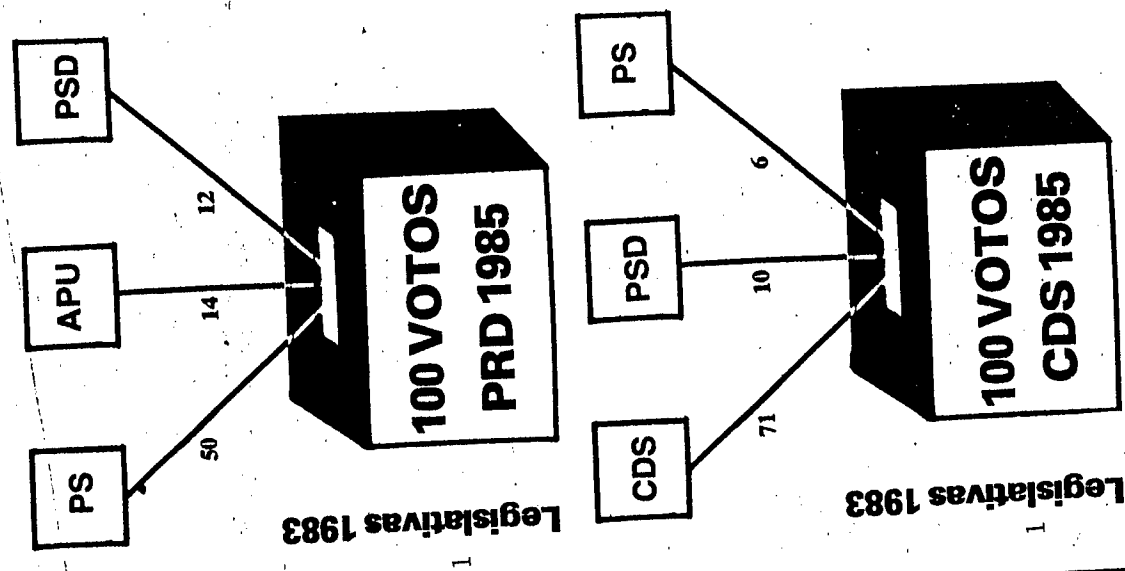
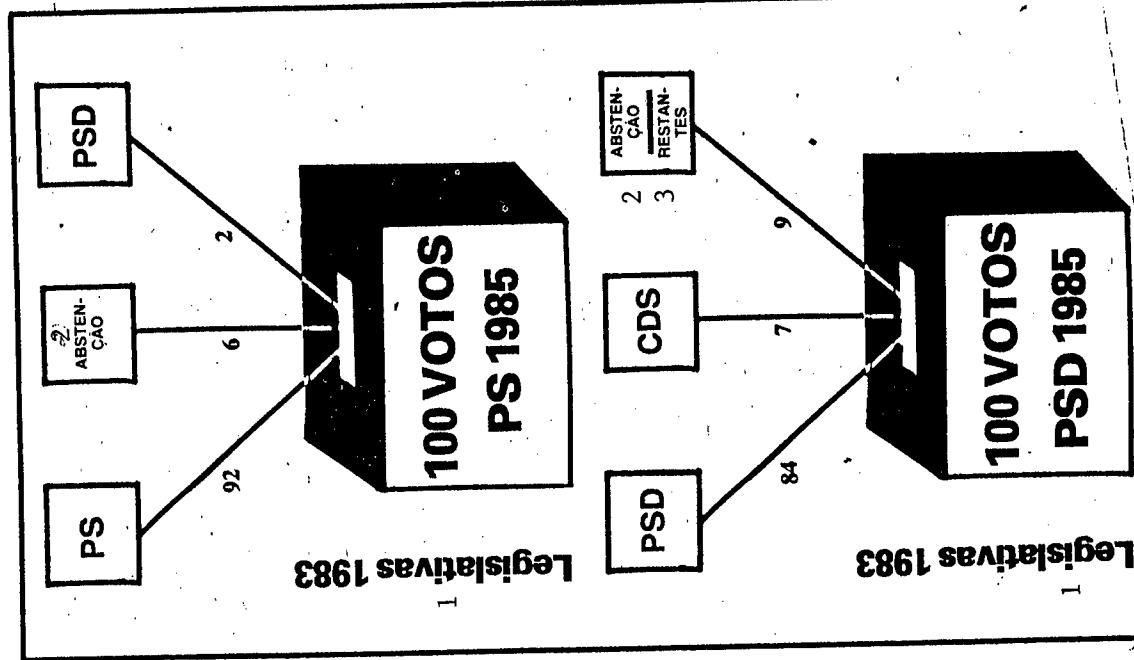


If elections were held today, the PSD would see a move by its voters to the right (5 going over to the CDS and 12 abstaining). Seven Social Democratic voters might remain in the same political area even though voting for the PRD.

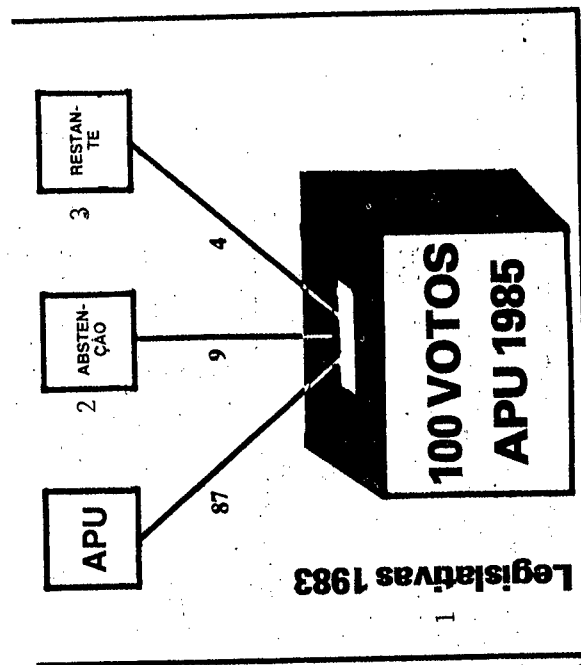
Key:

1. 1983 legislative elections
2. 100 votes for the PSD [in 1983]
3. May 1985
4. Abstention
5. Other

Source of Current Votes for Main Parties



[Key and caption are on following page]



This diagram and the four on the preceding page indicate the source of the votes that the various parties would receive if there were early elections. For every 100 votes received by the parties at this moment, the percentage deriving from each of the options chosen by those who voted in 1983 is shown.

Key to all five diagrams:

1. 1983 legislative elections
2. Abstention
3. Other
4. 100 votes for the PS in 1985
5. 100 votes for the PSD in 1985
6. 100 votes for the PRD in 1985
7. 100 votes for the CDS in 1985
8. 100 votes for the APU in 1985

Legislative Elections: Pattern of Vote Shifts  
(Source of every 100 votes in 1985)

| <u>Voting intentions as<br/>of May 1985</u> | <u>Party voted for in 1983 legislative elections</u> |            |           |            |  | <u>Other parties,<br/>blank, and void</u> | <u>Abstention</u> |
|---|--|------------|-----------|------------|--|---|-------------------|
|   | <u>APU</u>   | <u>CDS</u> | <u>PS</u> | <u>PSD</u> |  |   |                   |
| APU   | 87   | 0          | 1         | 2          |  | 1   | 9                 |
| CDS   | 0  | 71         | 6         | 10         |  | 0   | 13                |
| PS  | 0  | 0          | 92        | 2          |  | 0   | 6                 |
| PRD   | 14   | 0          | 50        | 12         |  | 11  | 13                |
| PSD   | 1  | 7          | 2         | 84         |  | 1   | 5                 |
| Other                                       | 0  | 0          | 0         | 0          |  | 41  | 59                |
| Abstention                                  | 3  | 4          | 14        | 10         |  | 12  | 57                |

Legislative Elections: Pattern of Vote Shifts  
(1985 voting intentions per 100 votes in 1983)

| <u>Voting intentions as<br/>of May 1985</u> | <u>Party voted for in 1983 legislative elections</u> |            |           |            |  | <u>Other parties,<br/>blank, and void</u> | <u>Abstention</u> |
|---|--|------------|-----------|------------|--|---|-------------------|
|   | <u>APU</u>   | <u>CDS</u> | <u>PS</u> | <u>PSD</u> |  |   |                   |
| APU   | 84   | 0          | 1         | 1          |  | 4   | 6                 |
| CDS   | 0  | 77         | 2         | 5          |  | 0   | 7                 |
| PS  | 0  | 0          | 65        | 2          |  | 1   | 6                 |
| PRD   | 10   | 0          | 19        | 7          |  | 25  | 7                 |
| PSD   | 1  | 13         | 1         | 73         |  | 3   | 4                 |
| Other                                       | 0  | 0          | 0         | 0          |  | 7   | 2                 |
| Abstention                                  | 5  | 10         | 12        | 12         |  | 60  | 68                |

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CSO: 3542/204



POLITICAL

SPAIN

FELIPE GONZALEZ NEWS CONFERENCE

PA112232 Mexico City UNOMASUNO in Spanish 5 Jun 85 pp 1, 14

[Report on a news conference by Spanish Prime Minister Felipe Gonzalez at Madrid's Moncloa Palace on 4 June by correspondent Victor Manuel Juarez]

[Text] Spanish Prime Minister Felipe Gonzalez addressed various topics during a lengthy interview with a group of Mexican and international reporters. He advocated the establishment of a new international economic order to resolve the harsh economic inequalities between developed and developing nations; he warned that the East-West polarization is obstructing North-South cooperation and that tension between the East and the West is a serious obstacle to the eventual establishment of development projects by rich and poor nations; he called Mexico's foreign debt renegotiation exemplary, stating that the sacrifice made to clean up Mexican finances makes that nation the most advanced in Latin America with regard to the establishment of firm bases for balanced and orderly development; he advocated financial reforms, including reforms in the international monetary system; he stressed the need to make the United Nations operational, emphasizing the current crisis caused by the multilateral nature of international relations; and he openly expressed support for the Contradora Group's efforts to resolve the Central American conflict, indicating that its actions have prevented the outbreak of a conflict of the proportions of the Middle East confrontation.

Prime Minister Felipe Gonzalez received the reporters of various media at 1300 at the Moncloa Palace's Room of the Columns built during Felipe IV's reign and site of official receptions.

The Spanish leader was cordial, greeting each reporter with a handshake and bidding all to take seats. He lit a cigar and opened the discussion. He answered all questions with aplomb.

He began the session expressing satisfaction over having met with Mexican President Miguel de la Madrid, not only for personal reasons--he said--but also because they agreed on many political, economic, and cultural topics.

The Spanish leader said during the 1 and 1/2 hour-long news conference that Mexico is winning the battle to renegotiate its foreign debt. "I believe Mexico has made a great effort, and considering the situation, it has conducted the negotiations admirably."

With regard to the developing countries' foreign debt, Felipe Gonzalez said that the method to renegotiate it, which should be technical first and only later political, has obstructed the attainment of a satisfactory solution to the problem.

He said that the debtor and creditor nations are naturally bent on issuing contradictory political statements and that this frequently impedes a more objective approach to the debt problem.

Later, referring to a new international economic order, the Spanish prime minister said that was the answer to the brutal imbalances that exist between developed and underdeveloped countries. He added that, politically, "we expect the developed countries to provide objective solutions to Third World countries' development problems; therefore the problem is not moral or ethical."

It is not that for moral or ethical reasons the developed countries are moved to give aid to developing countries, as has been often said. The possibility of industrialized countries overcoming a crisis depends on the possibility of Third World countries developing their potentials, Gonzalez said, adding:

"If the developing countries do not increase their capacity to buy, to participate in development programs, industrialized countries will not be able to overcome the crisis, because we have reached a level of consumption we will hardly be able to overcome."

Asked if the developing countries have not failed in conveying their situation, he answered: "The only story the people will tolerate today is the truth, because they are already facing enough with what they are going through."

He then added: "I will be responsible for the economic measures that Spain will take, not the IMF, quote unquote, recommendations. My government will do what has to be done in Spain, not what the IMF says. I am willing to face any measure of unpopularity and to take the risk that such a decision may present, because I am not going to let Spain fall subject to IMF impositions."

He later talked about the Central American conflict. He was sincere in admitting that he does not have a solution to such a complex problem, however he did say that Contradora has played a very important role. He said that this pacifist group has prevented war and the worsening of tensions. "The Contradora Group proposals are the only path for a solution in Central America," he added.

Therefore, Gonzalez said, we must by all means preserve Contradora.

In relation to Nicaragua, he said this country has problems with freedoms which exist because of the situation of war, aggression, and invasion, which does not allow it to develop a pluralist structure.

However, he added, that Central American country is in no way an undemocratic nor totalitarian one.

On the other hand, if the United States had a logic befitting a superpower, it is obvious that the final decision of that country's government would be to now allow the survival of a regime which has been accused of being aligned with the East, and its support to Contradora or to nonintervention would become a matter of secondary importance, if not contradictory.

More than showing respect for international norms, Gonzalez said, the United States is not going to tolerate a new Cuba in Central America. That is its scale of values; what can be done, I do not know...I only hope that Contradora succeeds and that Nicaragua continues with its revolution plan, that it maintains a mixed economy, pluralism, and freedoms.

CSO: 3548/145

## GONZALEZ SAYS EEC, LATIN AMERICA TIES TO IMPROVE

PA141508 Madrid EFE in Spanish 1842 GMT 13 Jun 85

[Text] Madrid, 13 Jun (EFE)--Spanish Prime Minister Felipe Gonzalez today announced that Spain will work for a qualitative and quantitative change in Europe's relations with Latin America following its admission into the EEC. Barely 24 hours after signing the treaty through which Spain joins the EEC, Gonzalez revealed that Spain will try to match Latin America's relations with Europe with those between the EEC and Africa and Caribbean nations.

Gonzalez recalled today the speech delivered by Jacques Delors, president of the EEC European Commission, in which he said there will be significant changes in Europe's relations with Latin America following the admission of Spain and Portugal.

Gonzalez said: "We have already adopted an important decision concerning the coffee--I think this is well known by all of you--which represents one of our most important exports."

He stressed: "We have eliminated the 5.5 percent tax, which was an important source of revenue for Spain but this represents better treatment for imports from the Latin American countries that have commercial relations with us, and increased importation of this product by countries which receive preferential treatment from the EEC."

The Spanish Government leader described Spain's admission to the EEC as vital for Spain's "evolution" and asserted that the Spanish people reject "isolation."

When asked about the strictness prevailing during the integration period, he said that "the structures had to be changed in any case," and asserted that the situation "will not worsen with Spain's admission [to the EEC]."

"I do not think that Spain will pass through a worse phase at any time during its process of integration into the community," he said.

The Spanish Government leader insisted that it is more important to "deal with modernization now and make the Spanish society more competitive."

Referring the possibility of advancing the general elections, constitutionally scheduled for late 1986, Gonzalez asserted that all the legal formalities will be followed, and discussed the possibility of carrying out a government reorganization that [word indistinct] crisis."

CSO: 3548/145

POLITICAL

SPAIN

ALGERIAN MINISTER: SPAIN COULD PLAY 'MAJOR ROLE' IN SAHARA PEACE

PM111027 Madrid ABC in Spanish 3 Jul 85 p 23

[Alberto Miguez report: "'Spain Still Has Historical Responsibilities in the Sahara,' Says Algerian Foreign Minister"]

[Text] Madrid--"We want Spain to maintain the best possible relations with Morocco. We are not Manichean. But that must not prevent Spain from performing a major role in the pacification of the western Sahara. Spain is responsible for what happens there," Algerian Foreign Minister Ahmed Tale Ibrahimi said yesterday in an interview with ABC between two meetings with his counterpart Fernando Moran.

"Faleb," as his closest aides call him, is one of President Chadli's most respected advisers, and he does not like to beat about the bush: He adopts clear-cut stances and is cunning when he does not want to answer a particular difficult question.

One such question, of course, concerned diplomatic recognition of Israel. I had been warned that the minister would prefer not to answer it, but the remarks by his counterpart Fernando Moran that "there is great understanding between Algeria and Spain and a similarity of viewpoints and stances" and that "Ibrahimi respects Spain's stances concerning the recognition of Israel" demanded certain elucidations from him.

"Of course," the Algerian foreign minister said, "Spain's recognition of Israel is a matter that concerns the Spanish Government and people. But you must understand that, as Arabs, we by no means welcome Spain's recognition of Israel. Spain is a country friendly with the Arabs."

According to Taleb Ibrahimi it is sophistry to say that economic relations between Algeria and Spain are promising but that political relations are not. "Our philosophy is based on comprehensive relations. Good economic relations cannot exist if political relations are poor, and vice versa. Without some degree of political agreement economic relations must inevitably be mediocre.

"Economic relations with Spain," Ibrahimi added, "suffered a lull of which everyone is aware. But they have recovered and I am sure that in the future they will return to their former level. As for political agreement, well, if we could maintain cordial relations only, only with the countries with which we agree politically, matters would be rather complicated...."

According to the Algerian Government Spain still has responsibilities in the Western Sahara. "Historical responsibilities," Ibrahimi explained. It can play a major part in the peace process.

[Miguez] How? What kind of part?

[Ibrahimi] We are not asking it to espouse the Polisario Front's stance or ours....

[Miguez] Perhaps you are asking it to grant the Polisario Front or the Saharan Democratic Arab Republic [SDAR] diplomatic recognition?

[Ibrahimi] Not that either. If we thought it should be so, we would say so. No, the Polisario Front is a reality; so is the SDAR. And there is international African consensus. The whole of Africa, apart from Zaire, has asked King Hassan to negotiate directly with the Saharans. This is our position. Spain accepts the OUA and UN resolutions on the dispute. It can therefore work for peace.

[Miguez] Are you satisfied with Spanish cooperation?

[Ibrahimi] Listen, in Algeria, where Spanish experts and workers have come, we have no complaints. On the contrary. Of course, there is one field in which relatively little progress has been made: the cultural field. We are still urging Spain to establish a cultural center in Algeria which could serve as a major springboard not only for Spanish culture but also for Latin America. But this is a long-term plan....

[Miguez] Of course, there is much talk of Spanish-Algerian cooperation in Latin America....

[Ibrahimi] Yes, I believe that our two countries could establish a triangular form of cooperation that would yield concrete results. Spain could be represented in Africa--especially sub-Saharan Africa--through Algeria, and Algeria could be represented in Latin America through Spain. President Chadli has just paid his first official visit to Venezuela, Mexico, and Cuba. We are very interested in what is happening on the Latin American continent.

CSO: 3548/145

POLITICAL

SPAIN

BRIEFS

NEW ENVOYS PRESENT CREDENTIALS--Today the new French Ambassador to Spain Francis Gutman presented his credentials to King Juan Carlos at the royal palace in Madrid. Gutman, formerly under secretary at the French Foreign Ministry replaces Pierre Guidoni in the post and arrives in Madrid at one of the best junctures in relations between Spain and France. At the same ceremony, which was also attended by new Spanish Minister of Foreign Affairs Francisco Fernandez Ordonez, credentials were also presented to the king by the ambassadors of the Dominican Republic, India and the Republic of the Congo. [Text] [Madrid in Spanish to Europe 1800 GMT 11 Jul 85 LD]

PONOMAREV-LED SOVIET DELEGATION VISIT--Next Sunday [16 June] a delegation of parliamentarians from the Soviet Union will arrive in Spain for an official 8-day visit at the invitation of the Spanish parliament. The delegation is being led by Boris Ponomarev, secretary of the CPSU Central Committee. During their visit to Spain, the Soviet parliamentarians will be received by King Juan Carlos, the prime minister, and by Minister of Foreign Affairs Fernando Moran. The Soviet parliamentary delegation will also have working meetings with the officers of the congress and senate and the spokesmen of the congress and senate foreign affairs committees. After their stay in Madrid the Soviet parliamentarians will travel to Valencia and Seville, returning to Moscow on 24 June. [Text] [Madrid Domestic Service in Spanish 1300 GMT 14 Jun 85 LD]

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MILITARY

EUROPEAN AFFAIRS

## ADVANTAGES OF FRANCO-GERMAN RECONNAISSANCE SATELLITE ARGUED

Bonn DIE WELT in German 11 Jun 85 p 2

[Article by Ruediger Moniac: "Advantages of a French-German Reconnaissance Satellite: Heretofore We Have Been Dependent Upon U.S. Information"]

[Text] If Europe wants to be important as a political force, it must find ways to lay the foundation for a confederation in the EEC. The EEC summit in Milan at the end of the month must pave the way for this. Thus new beginnings are to be sought, especially to harmonize the foreign and security policies of the 10, soon to be 12, countries.

A project with which this way seems applicable is presented in the form of the European reconnaissance satellite, in which above all France is showing great interest. In this matter, Paris has long courted Bonn's favor and the question is whether the Germans ought to continue to resist this courting by the French. One must remember that heretofore it has only been the two superpowers that have had their own reconnaissance capacity in space. With a few exceptions, all of the information available in the West on Soviet armament, especially strategic arms, originates in satellite reconnaissance.

Even what the West Europeans know about a "Europe-aimed" threat of the Soviet Union is learned from American sources. It is then not reasonable that Western Europe should develop some independence in this connection and that, with the aid of France and the FRG and possibly Great Britain as well, the EEC should acquire a means of obtaining important security information? By the way, not only on the Soviet Union but also on the entire Mediterranean area with Israel and the Arab world to the Persian Gulf and extensive parts of Africa.

A space-supported reconnaissance would also be significant for Europe as seen from the narrow European point of view. For the land mass of the European part of NATO is contiguous with that of the Warsaw Pact. From that arises a special European need to observe the developments in the East that are mainly dependent

upon military power more intensively than was and is possible with the help of the United States.

Such information could better support the current Mutual and Balanced Force Reduction (MBFR) talks in Vienna as well as the CSCE [Conference on Security and Cooperation in Europe] in Stockholm, which mainly involves the building of confidence. Confidence develops from precise knowledge about one's opponent. But if the knowledge about the adversary is not transmitted voluntarily by that adversary, then it is even more appropriate to obtain it by other means. In any case, in this way there arises a certainty against military surprise that is based upon facts.

In Bonn government circles, to be sure, these arguments have yet to produce the impetus to promote the reconnaissance satellite project. It is primarily the defense minister who is balking, and for understandable reasons from his point of view. To be sure, he sees the security advantages of Europe's own reconnaissance from space, but he refuses to come up with the necessary money from his financial resources.

Preliminary rough calculations for such a satellite system with the corresponding ground organization estimate expenditures for procurement and operation over 10 years at about DM 10 billion. So Bonn as well as Paris would have to provide a half billion annually. That would be a difficult task for the finance minister, for he is reluctant to correct his course of "denationalization" of economic events in the country.

On the other hand, experts are expecting a substantial amount of innovative force in industry from a government order of this quality. High-technology would be developed that is also suitable for civilian use. In principle, therefore, the satellite project would also fit into the EUREKA program being forced by Bonn and Paris.

Finally, two additional positive results should not be underestimated: a foreign policy result in that the EEC could make the reconnaissance results thus obtained available to a long-planned UN disarmament agency. Worldwide this would strengthen Europe's image as a "third force." But neither should one underestimate a domestic-policy result, for the leadership of the German Social Democrats finds the thought of a German-French cooperation in space reconnaissance attractive, even indispensable. This would thereby present the possibility of a rapprochement between the government and the opposition--who are drifting apart in security policy--in an important question.

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MILITARY

FEDERAL REPUBLIC OF GERMANY

# AIR FORCE PARTICIPATION IN GROUND COMBAT EXERCISES REVIEWED

Bonn TRUPPENPRAXIS in German May 85 pp 232-237

[Article by COL Dieter Bergener: "Air Force Operations in Ground Force Manœuvres--Air Force Experiences in the 1984 II Corps Ground Force Exercise FLINKER IGEL "Speedy Hedgehog" ]

[Text] Object of the Exercise: Cooperation

The strategy of deterrence demands that NATO has permanent armed forces with good equipment and in a good state of training.

For the Central European area the ground and air forces are an essential component of that deterrence. Their cooperation in joint operations determines the combat effectiveness of the overall armed forces. The quantitatively superior threat can be appropriately countered only through cooperation.

Cooperation is therefore an important objective, which the air and ground force branches must recognize as one of the main points of effort in their peacetime operations concerning their overall planning, equipment and training. Insights gained in wars in the Middle East have provided thorough justification for maintaining this objective for modern combat.

Even though the small area of ground force exercise areas does not permit major air operations, army maneuvers nevertheless provide an important condition in which cooperation between air force and army can be realistically practiced and refined within the territory of the FRG.

Army maneuvers are a part of the AUTUMN FORGE NATO fall exercise series, which contains a number of maneuvers of other NATO ground forces as well. In 1984 they included the following:

- FLINKER IGEL (II German Corps)
- CERTAIN FURY (VII U.S. Corps)
- ROARING LION (I Belgian Corps)
- LIONHEART (British Army of the Rhine)
- FRENCH TARGET GROUP (First French Army).

## COLD FIRE--Major Air Force Exercises

In contrast to the predominantly "national" character of army maneuvers, air forces operate exclusively under NATO command within the framework of Exercise COLD FIRE, at the same time as the army exercises.

COLD FIRE extends over the entire FRG, the Benelux states and parts of France. It includes the deployment of all aircraft in the inventory of participating air forces, including those of Great Britain, Canada and the United States.

Apart from extensive use of air defense operations, offensive operations are conducted against enemy supply and command installations and enemy aircraft on the ground.

Tactical air reconnaissance operations and those for offensive air support of ground forces are a major component of offensive air operations during the period of a major army maneuver.

### National Mission Despite NATO Obligation

Within the framework of the COLD FIRE exercise, the German Air Force, in accordance with its obligation as one of the alliance's air forces, flies air support missions for all exercising NATO ground forces. However, the main thrust of its missions is devoted to the support of whatever German corps is exercising at the time. For instance, in FLINKER IGEL the German air units assigned to the 4th ATAF [Allied Tactical Air Force] operated exclusively in support of the German II Corps.

Among other things, this mission emphasis of the German Air Force in support of the German corps in maneuvers makes possible the following:

- practicing German Air Force air support organization with the exercising corps in a national defense emergency scenario (Fig 2);
- to test the validity of joint army-air force plans in such maneuvers in actual practice, to find new sources for further refining joint operations, thus emphasizing the great importance of such major exercises for the air force.

The foregoing is the background against which air force objectives must be considered in their operations with army maneuvers.

### Important Objectives of the Exercise

The following are some of the training objectives in FLINKER IGEL 1984, which will remain valid in future major army maneuvers:

- strengthening and, where required, further refinement of procedures in joint operations between air force and army;
- improved cooperation between ASOC [Air Support Operations Center] and corps staff/operations center (OpZ);
- airspace organization;
- cooperation between integrated air defense with the ground forces by use of Air Defense Operations Liaison Team (ADOLT);

- serving as referee for the air forces;
- use of airborne flight controllers;
- public information on aircraft noise problems;
- air force image before the press and the public.

Due to the basic importance of the foregoing objectives in major exercise, they will be more closely examined below.

#### Cooperation Between ASOC and OpZ

In joint operations between ground and air forces, decisions made by OpZ must be oriented toward tactically coordinated operations between army and air force. Air forces representation in the corps, which is an independent air force staff section in peacetime, takes on the function of a command post for air support (ASOC). This enables the air force to advise and consult with corps early in the decisionmaking process, thus properly coordinating the intentions of the ground forces and the capabilities of the air force.

Apart from the location of the ASOC in close proximity to the OpZ, a constant exchange of information is required in order to be able to integrate changes in the situation on both sides into timely decisions. The chief of the ASOC or one of his air force officers is therefore on continuous duty with the OpZ to monitor ground force activities.

At the same time the ASOC has a close communications link with the Allied Tactical Operations Center (ATOC). This NATO command post at the tactical control level (e.g., air division) performs regional planning and command functions for the allocation and deployment of air reconnaissance and attack resources.

#### Airspace Organization

Airspace organization above the battlefield plays a role in decisions concerning the deployment of forces in joint operations. Friend and foe have equal access to the airspace: in the worst case, at the same time above the same location. This hinders operations against enemy flying targets by the friendly air defense and antiaircraft forces, which must be preceded by an unequivocal identification of friend and foe (IFF).

System-inherent deficiencies of the IFF/SIF system, aggravated by the effects of probable electronic interference, make unerring identification in wartime more difficult.

Identification problems must not result in unintentional attacks against friendly aircraft by the air defense or antiaircraft of the air force and army.

The introduction of a reliable identification system which is standardized for all airspace users is therefore in the interest of the members of the alliance operating in Central Europe.

Until such a system becomes available, other methods must be used to provide the best possible organization in the airspace.

For this purpose NATO has developed an airspace control system which is binding upon all airspace users and which transfers the main identification effort from electronic resources to procedural methods.

Under this procedure, certain airspace regions can be opened or closed for friendly operations.

Under the most favorable circumstances, this should make it possible for all air force and army air defense and antiaircraft resources to receive timely information about the timing and location of friendly air operations and thus prevent losses through erroneous attack on friendly aircraft.

However, this control system requires, apart from fully reliable communications, professional management by the command levels responsible for combat activities in joint operations.

For this purpose there is constant coordination of operational intentions between:

- ASOC, for offensive air units including fighter bombers and reconnaissance aircraft;
- ADOLT, for defensive air units including fighters and HAWK;
- the corps army aviation commander, for transport, liaison, and antitank helicopters;
- the corps antiaircraft commander, for the GEPARD and ROLAND army antiaircraft units.

Coordination always takes place on the basis of airspace organization measures issued by NATO command posts.

These are the four organizational elements which bear the heaviest responsibility within the corps jurisdiction for appropriate use of the airspace with the least possible restrictions imposed upon friendly air defense and antiaircraft units. Their joint functioning must be practiced continuously.

The use of airspace organization measures is therefore a major training objective in all ground force maneuvers with air support. However, their use makes sense only where a sufficiently large amount of airspace makes appropriate air force deployment possible.

In this context, Exercise FLINKER IGEL was successful.

#### ADOLT Deployment

As a liaison element between the integrated NATO air defense and the ground forces, ADOLT is attached to the corps command post. Reporting to the commander of an air defense sector (COMSOC), the COMADOLT advises the commanding general in NATO air defense matters. With his team he coordinates the mobile deployment of HAWK detachments and mobile air defense sensors and coordinates their movements and deployment with ground force operations. In addition, ADOLT is

responsible for requesting air defense aircraft when required for ground force protection for limited periods and locations and coordinates these missions. Prerequisites for successful accomplishment of these tasks is close cooperation with the sector command post (SOC) on the one hand, and with the corps anti-aircraft commander and COMASOC on the other. Jointly with them the COMADOLT also participates in formulating airspace organization measures.

#### Serving as Referee for Air Force Operations

In case of a national emergency, aircraft must be deployed in ground force support in very low altitude flight and at maximum speed.

In peacetime, this type of operation is limited by safety considerations for human life and materiel and by air force regulations designed to minimize noise pollution.

Ground force soldiers and their commanders cannot be expected to recognize exercise-type simulations and to react to them in an appropriate manner.

For this reason it is necessary that in major army maneuvers an "air force referee service" be established to support the ground force field referees.

It would however require too much manpower to arrange for referee service wherever air support operations take place. It must therefore remain restricted to certain command levels and to previously determined locations.

In recognition of this requirement, eight air force referees were used in FLINKER IGEL, six of them with one-quarter-ton trucks and two with helicopters, thus providing the maximum mobility.

Their function was to advise the local ground force field referees. Their assignments were coordinated by the referee support center at the corps command post, in which an air force section was in constant communication with the ASOC and which was thus able to inform the air force referees about planned air force support operations in a continuous and timely manner.

Therefore, the assignment of referees proceeded independently of the situation in a manner which permitted essential information to be obtained in those locations where the further course of exercise events depended upon successful air support operations.

The use of a numerically small group of referees has proven adequate. The effectiveness of air support operations as well as missions to interdict the battlefield thus enabled the army field referees to make more realistic evaluations and to translate them into logical follow-on decisions.

The conversion of such insights into improved ground force tactics is an additional substantial benefit.

Air force referees will be indispensable for future major army exercises.

Post-strike damage assessment of air support operations and their impact on command decisionmaking are problems which are as yet unsolved and which should be addressed with greater attention in the interest of providing greater flexibility in future operations.

#### Use of Flying Air Controllers

The large-scale use of military aircraft in support of ground forces occurs primarily in situations where the ground forces are unable to gain their objectives with their own resources.

The deployment of forward air controllers (FAC) is designed to secure the coordination of fire and movement of friendly and enemy ground forces and thus the success of the operation. Air controller procedures to be used in this manner are binding upon NATO as published in ATP-27 and are thus standardized.

While the German Air Force operates its FAC deployments in this manner, it still uses, contrary to all other NATO partners, the ground level FACs also. Flight control is exercised by them from armored command vehicles located in the frontlines. A justified request for air movement requires additional insights, in addition to the positive experiences gathered from exercises and studies. For this reason, the use of helicopters for air control was tested once more in FLINKER IGEL. Twenty-five close air support missions were directed from army helicopters (Bo-105) by air force flight controllers. The main objective in this was to use a maximum of above-ground mobility for a greater ability to deal with the conditions of modern combat.

These missions provided renewed proof that the airborne, helicopter-supported FAC has the best means for controlling air operations.

He is the only one who can:

- take up the most advantageous position for air control activities and is therefore hardly visible or invisible to enemy artillery;
- overcome geographic obstacles (valleys, mountains);
- follow modern combat operations with sufficient speed;
- in questionable weather situations gather appropriate information and by passing it on to approaching aircraft help them to make timely decisions;
- by operating at greater altitude than aircraft at extremely low altitudes, detect their presence in a timely manner.

He is therefore in possession of the requisite mobility and flexibility which are the deciding factors in the success or failure of air support missions.

The ground-bound FAC on the other hand has none of these capabilities and is therefore:

- relatively immobile;
- easily spotted and vulnerable to artillery;
- unable to exercise control for the entire duration of changing his location.



The experience made in FLINKER IGEL is convincing. The implementation of an operational concept along those lines should be the logical next step.

#### TORNADO Operations

The Air Force is currently engaged in changing over to the TORNADO weapon system. Fighter bomber Group 31 "B" will shortly be the first of four former F-104 units to become operational.

Since the inception of training flight operations with the TORNADO it has shown exceptional precision in air-to-ground weapons deployment.

Apart from targets consisting of enemy air forces on the ground, the TORNADO operational spectrum also includes ground support missions (OAS).

It was appropriate to demonstrate TORNADO's operational readiness for OAS operations in the FLINKER IGEL exercise.

This demonstration took place. Despite extremely bad weather conditions with low clouds in the target area, the TORNADOs flew their missions against ground force bridge deployments with exemplary precision. During those types of weather conditions, they were the only aircraft above the battlefield.

The TORNADO weapon system can therefore be considered to be the best NATO weapon system along with the F-111, capable also of executing OAS missions during the most extreme weather conditions.

This fact becomes particularly significant since the Multipurpose Weapon MW-1, a bomb container made-to-measure for the TORNADO capable of launching more than 4,000 bomblets as submunition against ground force targets, is now operationally ready and being delivered.

#### Public Information About Aircraft Noise Problems

With their aircraft noise, the air forces certainly contribute to environmental damage. Aircraft noise infuriates the citizens, generates anti-aircraft noise initiatives and brings about pronounced doubts about the necessity for having an air force. However, aircraft noise as a byproduct of a reliable defense is unavoidable.

It is difficult to educate the citizen to this fact of life, if he does not understand the connection between aircraft noise and defense, i.e., the overall problem area dealing with low-level flight.

Major troop exercises with air force participation bring a considerable increase in aircraft noise pollution, particularly in the exercise area. Ways must be found therefore to familiarize the civilians concerned, at the proper time and in a convincing manner, with the aircraft noise problems inherent in the exercise.

With Exercise FLINKER IGEL this was done for the first time. While the II Corps made presentations on the exercise at the government district level in four major cities of the proposed exercise area, at the same time representatives of ASOC did explain the necessity for air force operations in major exercises, as well as the connection between the threat and the necessity for low-level air operations. On that occasion it was made clear how much low-level flight training in FRG airspace was necessary to ensure combat readiness for the air force units, and thereby an adequate deterrence. In addition, the air Force's efforts (were explained) to limit aircraft noise pollution as much as possible.

The civilian must be made aware that the air force has self-imposed flight limitations as to altitude, speed, overflight and time of day operations and that in addition it practices low and extremely low-level altitude flying abroad (United States, Canada, Portugal, England and Sardinia) as well.

He must further be aware of the fact that all this costs a lot of money--use of foreign training facilities and areas costs the Air Force DM 400 million annually--and that at least a minimum of low-level flight training must take place in the area which is to be defended in the event of war.

This need for information dissemination was satisfied in connection with FLINKER IGEL. As a result the population was well informed and the usual protests did not take place.

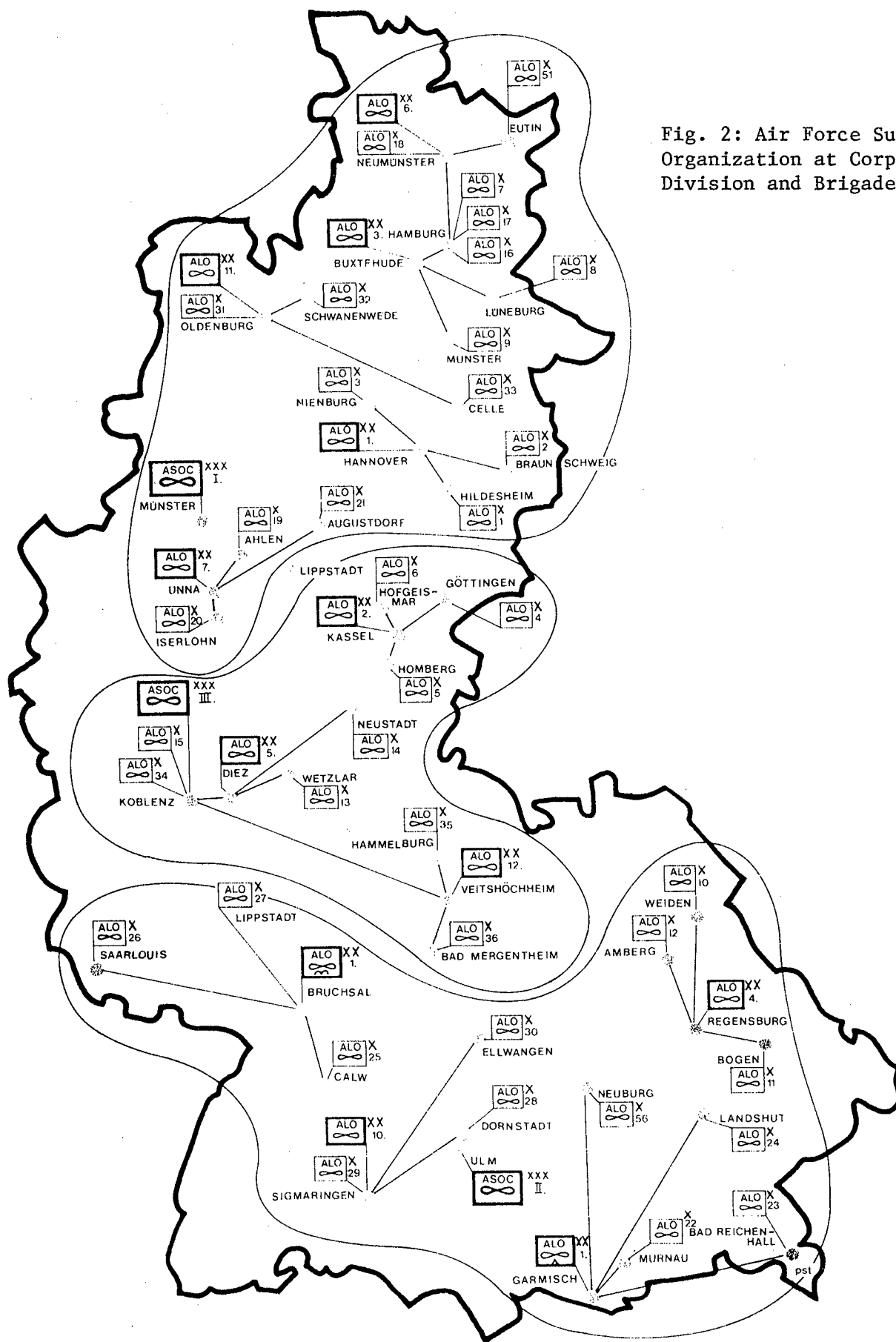
Apart from its general public information activities, in the future the Air Force will have to make increased use of this means of informing the population.

#### Press and Public Image of the Air Force

Being informed about aircraft noise problems is just one of the things to which the public is entitled. Another is to be convinced of the combat readiness of air force flying units. To satisfy that latter right it is necessary that these units be demonstrated to the population in as realistic a war simulation posture as possible. Major maneuvers constitute a particularly good opportunity to do this.

Even though the Air Force is understood to be a part of the NATO integrated air forces and therefore national concerns are barely apparent in maneuvers, efforts must be made to present an image of self-sufficiency to the press and the public. The citizens of the FRG carry the main burden of the joint defense among Europeans. For this reason the German armed forces are particularly anxious to earn their fellow citizens' respect and trust by demonstrating their competence.

During the FLINKER IGEL exercise an experiment was conducted in which the maneuver area was used for purposes of showcasing the Air Force. The joint operation of army and air force was shown to the press and public in conjunction with units of the II Corps, in an exercise area specially selected for the purpose. Air support missions to the ground forces were flown by TORNADO, F4s and F-10s. An Air Force staff officer served as narrator to explain the complexity of such missions to all those present.



The experiment was successful. Its positive reception indicated that such demonstrations are worthwhile. Especially when noting the joint operations with the ground forces, the civilian understands that the branches of the armed services are not compartmentalized, but that they are jointly involved in the national defense.

That too is an important insight.

[Photo Captions]

Fig 1. F-104 attacking ground force targets in low level flight.

Fig 3. Bo-105 Helicopter for use by the Airborne FAC

Fig 4. TORNADO Fighter-Bomber Equipped with MW-1 Multipurpose Weapon.

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CSO: 3620/407

MILITARY

GREECE

# JOINT TRAINING WITH U.S. FORCES IN NATO REPORTEDLY 'FROZEN'

Athens RIZOSPASTIS in Greek 7 Jul 85 p 1

/Text/ Are the nuclear weapons that are located and stored in Northern Greece going to be updated and renovated? This critical question for the security and independence of the country comes up menacingly. And it becomes even more menacing following the silencing of the former government position "on the unilateral withdrawal of nuclear weapons" during the recent discussion on plan statements made in the Chamber of Deputies.

It is known that the American side has often mentioned the need for updating the nuclear weapons that are stored on our soil because they are outdated and their lifespan utility and strategic value have been exhausted.

From the beginning of the year already joint training between Greeks and Americans in the approximately 10 special artillery units that have been incorporated into the NATO force has been essentially "frozen." These units regularly conduct joint training with the Americans twice a week on the use of nuclear weapons and once every 2 months an all-day exercise was held on the transportation, storage and launching of nuclear missiles under the supervision of the Americans. This exercise and the inspection of the units by the Americans have in essence been "frozen" since the beginning of the year.

At the same time, technical work projects have begun in the American zone of responsibility and much activity has been noted.

The combination of these two factors together with the prime minister's statement that he sent .....to President Ceausescu on the withdrawal of nuclear weapons reasonably create a concern that there are perhaps plans for updating the nuclear weapons.

5671

CSO: 3521/302

MILITARY

GREECE

'PARMENION' JOINT MILITARY MANEUVERS REPORTED SUCCESSFUL

Athens 1 KATHIMERINI in Greek 28 Jun 85 pp 1, 5

/Article by correspondent Nikos Gerakaris: "The Readiness of Thousands of Reserves in the 'Parmenion' Exercise Was Impressive"/

/Excerpt/ Several thousands of reserve officers and soldiers who participated in the large combined maneuvers "Parmenion 85" of our Armed Forces were their protagonists. According to Major Gen. And. Drossogiannis who commanded the division and observed the exercises and who is also the alternate defense minister, the reserves who enlisted only a few days before the start of Parmenion 85 were subjected to the expected technical and tactical training; practiced shooting and reconnaissance at the defensive section of their unit; understood their mission and assimilated with their fellow conscripts; became familiar with the operation's environment; and it was certain they could fulfill their mission.

The major phases of the operation, which ended successfully yesterday, developed in Limnos, Alexandroupolis and Samothraki. The maneuvers were also observed by the chief of the National Defense General Staff Air Force Gen. N. Kouris who was in charge of the operation; the chief of the Army General Staff Lt. Gen. E. Pentheroudakis; the chief of the Navy General Staff Rear Admiral N. Pappas; the chief of the Air Force General Staff Lt. Gen. D. Apostolakis; Fleet Chief Vice Admiral Il. Perisakis; and the commander of the Fourth Army Corps Lt. Gen. Evang. Sanidas.

The Reserves

The reserve officers who successfully commanded their units and the many armored vehicles, mortar and infantry group weapons they handled skillfully and accurately were very impressive. For the tactical framework of the exercise a simulated situation was created according to which, following a period of intensive enemy propaganda, pressure and threats against our country, the enemy forces started an attack and carried out landings of forces and airborne operations...Having foreseen the enemy threat the Greek command carried out a timely mobilization for confronting the enemy who, after an alternating hard struggle, reached a line of defense despite its heavy losses in personnel as well as in main and general materiel.

The attack started with preparatory artillery and mortar fire. The interception units attacked the enemy units and tanks. In the flat areas the tanks led the attack followed by infantry platoons.

In a subsequent air attack the fighting craft hit with great precision enemy targets with rockets and machine guns. Immediately a landing took place of infantry units which advanced in close cooperation with the tanks and destroyed the last enemy resistance pockets and completed their mission by reaching the shore. They were followed by the armored units of the Special Mechanized Company which cleaned up the remaining resistance elements.

At dawn yesterday a combined amphibious, commando and air operation was launched at the island of Samothraki with the participation of marines, commandos, aircraft, infantry and naval forces. It was presumed that the enemy had occupied the island except for some isolated points which were defended by friendly units. The aforementioned operation was undertaken in order to recapture the island and the mission was accomplished. Then an amphibious assault with fast naval ships established a beachhead with the assistance of air cover. The reoccupation of the island reached its conclusion with an attack by a battalion of commandos and marines. This action was assisted by forces on the island and units of the navy and air force.

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MILITARY

GREECE

## COMPLETE SUCCESS OF 'PARMENION '85' MANEUVERS PRAISED

### Turks Watching

Athens TO VIMA in Greek 28 Jun 85 p 9

/Report by our correspondent Nikos Khasapopoulos; passages enclosed in slantlines printed in boldface/

/Excerpts/ Alexandroupolis, 27 June--Such maneuvers, so close to the Turks, /have not taken place/ in recent years and for that reason across the frontiers our Turkish "allies" followed every phase of the maneuvers from their observation posts all along the river.

The last phase of the Parmenion '85 maneuvers took place in three regions.

The first phase took place /in the middle of the Aegean,/ in Limnos, where the scenario called for /an invasion "by enemy forces"/ of the island and /a neutralization of the invaders."/

With the onset of the maneuvers, navy vessels /bombardeed/ (with live ammunition) the positions of the "invaders" while fighter aircraft began attacking employing air to surface /missiles./

Orders were given for a /general counterattack/ for wiping out the bridgeheads that the enemy had theoretically established, and within minutes /aircraft, battle tanks, parachute troops, artillery and marine units/ succeeded in pushing the enemy back toward the sea.

The accuracy of the fighter aircraft pilots was truly impressive.

The second phase of the maneuvers took place on the /Evros./ The scenario provided that "after a suitable period of intense propaganda, pressures and threats by the enemy, its forces /attacked in the Evros region/ and succeeded, after a tough seesaw battle, to break through the Greek defense system and to establish bridgeheads." The goal of the Greek forces was to destroy the enemy bridgeheads and to reestablish control over national territory.

Taking part in the maneuvers were /military aircraft (with live ammunition), battle tanks, artillery, special commando forces and marines./ Employed in the maneuvers were Milan anti-tank missiles that found their targets with 100 percent accuracy.



It should be noted here that each Milan missile costs around 2 million drachmas. Altogether four rounds were fired at targets.

The second phase of the maneuvers was also the most /impressive./ The /sky/ over the town of Doriskos /was covered with shells, rockets/ and artillery shells, while fighter aircraft /continually bombed/ "enemy" heights.

At one point, the Turks, afraid perhaps over the impressive success of the maneuvers, tried to interfere with the radio frequencies of the fighter aircraft radio operators by means of interference but without success. The aircraft continued to bomb until the last moment.

The third and final phase took place on Samothraki yesterday at 0530 hours. The scenario provided that the enemy had seized the island except for certain points. Goal of the maneuvers was to have /a Greek invasion/ of the island and to retake national soil. The maneuvers began with /an amphibious commando operation/ that took place with fast naval vessels. At the same time, transport helicopters transported marines to the island, while military aircraft pounded "enemy positions" with rockets. The maneuvers ended successfully.

#### Rapid Deployment Forces in Action

Athens ETHNOS in Greek 28 Jun 85 pp 24-25

/Report by Stratos Kalogeropoulos/

/Excerpts/ The country's armed forces have at last the capability of neutralizing every kind of threat aimed at the ancestral soil or at national sovereign rights in the Aegean wherever its origin.

This message was issued to the people by Alternate Minister of National Defense Andonis Drosogiannis who followed the critical phases of the large-scale Parmenion 85 maneuvers that took place from Ferrai on the Evros to the extremities of the Dodekanisos.

Limnos was in a genuine war furor since Tuesday midnight at which time Lieutenant General Skoulas, army commander, announced that elements of a supposed enemy had, following a bloody clash, established themselves on the northern coast of the island and were trying to stabilize their presence there.

According to the scenario, the Limnos guard deployed lightly but succeeded in impeding the expansion of the enemy bridgehead until the early hours of Wednesday when the Rapid Deployment Force (commandos and marines) arrived from mainland Greece.

Devastating fire from 105 mm and 155 mm artillery and 4.2 mm and 81 mm mortars began to rain down and pulverize enemy positions and in a short time the enemy was cut off and encircled in a noose-form maneuver.

The decimation of the invaders was capped by dive bombing Corsair A-7, F-4 and F-104 aircraft whose rockets and shells relentlessly pounded the center of the cut off enemy.

The invading forces were completely annihilated by the "devils from the sky," namely the free-drop commando paratroopers who blocked their flight toward the sea.

The destruction of the enemy on the flaming shores of Limnos coincided with the announcement by the GEETHA /National Defense General Staff/ that Greek aircraft were expanding their operations toward the enemy hinterland to decimate their concentration points and communications junctions.

At the same time, another message made known that our goal fully reestablished national sovereignty over the sea around Limnos given the fact that a solid lesson was taught the enemy's naval shock force.

As a high-ranking staff officer explained, once the Limnos operation began Greek naval air forces in horseshoe formation checked on every approach by the enemy toward the Aegean.

Subsequently, Mr Drosogiannis, the armed forces leadership and hundreds of staff officers left for Thraki where they witnessed an unusual counter-offensive from an advanced observation post of the 12th Division, a counter-offensive without precedent in the annals of national maneuvers.

Certain strong enemy units had moved into Greek territory along the Evros River and had to be neutralized before they could be reinforced.

Both heavy and light battle tanks, motorized infantry units and other ground forces, under the command of Lieutenant General Sanidas, commander of the 4th Army Corps, were used in this strategic counter-action.

The nature of the land in the region and the many fortifications did not leave much room for success by the enemy, especially when the critical hour of the air force arrived.

At exactly that hour the Keravnos /Lighting Bolt/ plan was put into action, something that turned the heights around Ferrai and Peplo, still being held by the enemy, into a veritable hell.

The air force, with coordinated attacks that brought back memories of Monte Cassino, pounded enemy positions while at the same time infantry battalions of the 12th Division charged into the flaming forests and seized back national territory from the invaders by using flanking maneuvers and frontal assaults.

As the army commander explained, this operation was strictly hypothetical in nature because there are no possibilities of any crossing of the Evros by any enemy whatsoever.

#### Artillery's Precision

Athens ELEVETHEROTYPIA in Greek 28 Jun 85 p 14

/Report by G. Ananostopoulos/

/Excerpt/ The airborne marine and commando operation over Limnos during the night of 25-26 June was impressive. It also revealed the high standard of efficiency of the armed forces special forces. The next day at 1130 hours, under the view of Dep.

Minister A. Drosogiannis, the military leadership and journalists, the battle around the Bay of Kerous in Limnos began.

Cannon roar, Mirage, Phantom and Corsair aircraft dive from the sky and attack and plaster enemy positions with air to surface rockets. Tanks advance.

At sea, vessels impose their own sovereignty. Parachute troops successfully carry out the mission assigned to them. Cooperation among all units is perfect. When the cannon cease roaring, machine guns become silent and fighter aircraft withdraw, all are impressed.

A few hours later, another "battle," on the Evros this time, is taking place.

The fighter aircraft attack and the accuracy of their fire is impressive.

The radio-controlled anti-tank Milan and Tow rockets nearly steal the show. The artillery shots are so accurate that they leave no doubt as to the high level of training and efficiency of their operators.

With the end of the maneuvers, all are certain that the security of our frontiers on the Evros is almost perfect.

#### Three Phases of Maneuvers

Athens TA NEA in Greek 28 Jun 85 pp 24-25

/Report by L. Dimakas/

/Excerpts/ "One minute more! As soon as our helicopters show up with the commandos we open fire and advance! Good luck, men!"

It is 0714 hours. At some northern shore of Samothraki, Greek marines, camouflaged "with the soil of their land," wait with their fingers on their triggers.

The officer in charge looks at the horizon. For 3 hours now, after their successful landing in fast naval craft and after establishing a beachhead they are now waiting for the Chinooks with their commandos "so as to throw the enemy back into the sea."

Two days ago (dawn of 25 June), enemy forces had broken through our mainland frontiers and had seized some hundreds of meters of territory. They had landed and seized Samothraki and had established a beachhead on Limnos.

A minute later, seven Chinook helicopters, covered by fighter aircraft and naval vessels, landed on the shore raising clouds of dust. Within seconds, dozens of commandos took up battle positions together with the marines who were waiting for them.

Within an hour, two heights controlled by the invading forces were reoccupied.

By noon, the offensive operation carried out by the marine battalion and the 4th Commando Squadron that were supported by aircraft had come to an end.

"Samothraki has been reoccupied! The enemy has been neutralized!"

This "operation" took place yesterday. It was not, however, a real one. It was part of the "scenario" of the national multi-faceted large-scale Parmenion '85 maneuvers that ended yesterday afternoon. Taking part were units of the Northern Greece ground army, the entire naval fleet and units of the air force aircraft.

Reserve officers and enlisted men --one-third of the forces-- took part in the maneuvers.

Deputy Minister of National Defense Drosogiannis closely followed the various phases of the maneuvers.

The main phases of the maneuvers that the deputy minister, the military leaders and journalists followed were as follows:

Limnos-- Operations by units of the 88th ADTE [expansion unknown] and reinforcements for wiping out bridgeheads that the enemy had hypothetically established on the island. (Artillery, tanks, aircraft rocket fire, naval vessels, infantry and paratroop forces were employed).

Evros-- Counterattack by a tactical infantry unit in the context of an offensive by armed units for recapturing national territory and destruction of the invading enemy. (Artillery was used, bridges built, anti-tank Milan and Tow missiles fired, aircraft fired rockets and shells and F-5, E-104 and A-7 aircraft took electronic countermeasures. )

Samothraki: A bridgehead was established after an amphibious raiding operation by marines brought in by fast naval craft and by airborne commandos and subsequently offensive operations to recapture the island.

#### The Parmenion '85 Maneuvers Succeeded for Five Reasons

The complete success of the large-scale national Parmenion '85 maneuvers acquires special significance for five reasons.

First, because for the first time operational plans on this scale were implemented following the announcement by the prime minister on the new defense policy ("new defense dogma.")

Second, because thousands of reserve officers, non-commissioned officers and enlisted men were called up and took part in the maneuvers. These men made up one-third of the manpower in the maneuvers.

In the few days during their mobilization, the reservists underwent tactical and technical training, they fired weapons, they worked together with recruits, they familiarized themselves with the operational environment and (officers and non-commissioned officers) successfully led their units during the maneuvers. In fact, the reservists handled the more "sophisticated" weapons with ease.

Third, because in most of its phases the maneuvers were "an excellent and effective use of joint efforts" by the army, navy and air force. There were operations where a deviation of one minute would have been fatal. There was no such deviation in any operation.

Fourth, because the maneuvers were conducted on a large-scale basis both on the mainland and the islands, indeed in areas of great military value and importance (Evros, Limnos, Samothraki, etc.) for our defense and whose continued defense buildup constitutes a basic goal of the general staffs.

Fifth, because plans that had been completely altered to meet new real situations, unforeseen by the scenario, were at once implemented.

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BELGIUM

ECONOMIC

VOLKSUNIE'S SCHILTZ ON UNEMPLOYMENT, COALITIONS, INF

Brussels KNACK in Dutch 15 May 85 pp 13-16

[Report on interview with Budget and Finance Minister Hugo Schiltz by Jos Grobben and Marc Reynebeau: "The Unemployed Must Not Turn into Deadwood; Hugo Schiltz on an Unemployment Policy and on his 8 December demands: a Different State Reform and No Missiles"; date and place not specified]

[Text] In view of his official function, Hugo Schiltz (VU [People's Union]), minister for Budget and Finances in the Flemish executive, would not easily be expected to become involved in the unemployment problems. Recently he had a brochure printed on that matter which appears to contain a very socially motivated philosophy, directed against the somewhat stalinist economic models whose big plans seem to forget about concrete human beings.

Hugo Schiltz: I was affected by the powerlessness of the economic policies, arrived at by consultation, to consider new social phenomena: everyone acts as if the unemployment situation is the same as in the fifties or sixties. Meanwhile we have found out that here it is not a matter of a conjunctural problem but of a structural one, that specifically we will have a great number of unemployed for another 5, 10 or 15 years, that there are people who will never be able to be included in the normal work process after they leave school. Even unions and employers seem to ignore that problem. Nevertheless that phenomenon is creating a new, somewhat proletarian sub-culture which will debilitate human beings: 200,000 to 400,000 people who will become modern zombies, who only know how to get to the local unemployment compensation office and whose areas of interest and geographic horizon are shrinking--a society of degenerate sleepers. Both my own economic analysis, as well as the humanistic inspiration dictated to me by my nationalist belief in solidarity and shared responsibility and, further, my contacts with the task force in connection with VLAANDEREN MORGEN [Flanders Tomorrow], have brought me to this initiative.

[Question] How many people are you talking about? There are about 900,000 people who find themselves in an abnormal labor situation at present.

Schiltz: That must be qualified. That includes people who do work, but who are in an uncertain social situation, the so-called "unskilled," and people who really have nothing at all, 300,000 to 400,000 people with no prospect

whatsoever and who, if something isn't done about them rapidly, will be left out permanently. Well, society doesn't have the right to turn those people into social deadwood. And that is the basic motivation of my brochure. There is also a pragmatic idea attached to it: if ever an eloquent person should turn up who makes outlaws of these people, mental nihilists, and converts their frustrations into energy, they could be turned into shock troops for whom a totalitarian system might be the only way out.

[Question] What is to be done?

Schiltz: Instead of wasting its time, the government ought to study the problems which are threatening society, and one of its tasks is to protect the feeling of human dignity, especially in the unemployed. Apart from a few disintegrated initiatives, the government doesn't concern itself with the problem; it really leaves everything up to voluntarism and charity.

[Question] What do you mean? Isn't the entire philosophy of the current government policy directed at the unemployment problem, via lower pay and the recovery of competitive strength resulting from that?

Schiltz: The creation of real labor is the most concrete answer to the problem. What it comes down to, however, is that a distinction must be made between an employment policy and an unemployment policy; unemployment is something which will remain, even if the employment policy succeeds. That distinction is not being made now, and there is no thought at all of an unemployment policy. That involves a great number of sectors: adult education, welfare, labor mediation, professional training, culture, education.

#### Evaluation

[Question] Such a project must necessarily be supported by an analysis. What is yours; what has caused the crisis in your view?

Schiltz: Naturally that is a long story, but in essence it comes down to the fact that North-South relations and the relations between the industrialized countries and the Third World have not changed.

In the Third World there are inexhaustible markets for the coming decades, but the needs of the countries there cannot be met because of the financing problem. Instead of launching a world-wide Marshall plan, one prefers wasting money on Star Wars, on East-West relations. Turning that around, searching for a new economic world order, will take at least another 10 years. I can't wait for that; I want to act now.

[Question] The technological developments also played a role in that, and that is precisely an area in which the Flemish executive has become very involved.

Schiltz: I agree with that involvement. It is senseless to want to curb those developments from within a defensive policy and to start with the premise that the existing pie has to be sliced into smaller and smaller

pieces. That only yields smaller portions. If we don't stimulate our scientists and researchers, they will leave for places where that does happen. Later on one could initiate a massive redistribution of work, both with respect to geography and hours. But I can't leave my Flemish unemployed to their fate until then. Already now an institutionalizing of unemployment can be noticed in their resignation, their sliding into apathy, their human atrophying.

[Question] How did your project for an unemployment policy come about?

Schiltz: I am not an expert in that, and my initiative grew through contacts with experts in the womb of VLAANDEREN MORGEN. I proposed in the executive to commission experts in the field--and there are plenty of people at the Flemish universities who know and study these problems--to work out such a policy plan, together with the RVA [National Service for Labor Supply], the social partners, etc. At that point the misery started. The Flemish executive did assign a limited study of that problem and the result was an extremely important working document in which Flanders was screened, in which an inventory was drawn up as to the influence of the unemployed, and in which everything was summed up which should be taken into account in a policy.

The second phase of the investigation was to be the organization of hearings and similar things, from which a plan was then to emerge. At that point, however, the executive put the matter on the back burner. It first sent the working document on for advice to the sub-regional employment committees, who unfortunately did not know what to do with it, etc. Only via straight political blackmail was I able to push through an additional study, simply by refusing to sign dossiers which were of interest to other parties, with which they could please their friends. It is really sad that things have to be done in such a manner.

The ultimate goal is to bring about a Center for Unemployment Guidance, not a slow administration, but a flexibly operating center where ombudsmen would have to guide the unemployed very concretely and cooperate with the administration. Especially the local authorities are important in that, for one must work at the local level in order to be able to approach the unemployed successfully, since their horizon has shrunk so much. It is a matter of including the unemployed in social activities which are meaningful, which are appreciated, and which can potentially provide employment. It is a practice terrain for alternative employment in which human dignity must be restored to the unemployed.

#### Network

[Question] What were your experiences with the unions in this context?

Schiltz: I got no response at all from them, nor from their friends in the executive. They think that that Schiltz fellow is going to use all the anarchists for his own benefit and that he will bring in all the agitators whom they had eliminated from their unions with so much trouble. The main obstacle with respect to the unions, however, is that for them there is no [general] unemployment; they only care about their own unemployed.



[Question] What will happen after the study is completed?

Schiltz: That study should not have taken so long, and the next step should be the foundation of that Center. Concrete policy measures must now be established, a network to integrate the unemployed into the social system. More political determination is needed for that.

[Question] Exactly what types of jobs do you want to have initiated?

Schiltz: Well, there are a great number of tasks which are no longer being accomplished by the commercial sector because they are no longer profitable and are difficult to establish with respect to organization. Take a defective switch, for example--a small matter for which the village electrician no longer makes a housecall because it would be much too expensive. For those type of things a crew of unemployed could be composed at the local level which would take care of such things, and for which a small remuneration would be paid, but through which particularly those unemployed would experience a feeling of usefulness and social appreciation. At the same time one could ascertain whether such initiatives might become a basis for salaried employment in the future.

[Question] Some unions and sick funds have also established similar odd job services.

Schiltz: But surely that is not their task; then we again come up against that wretched /verzuiling/ [the fragmentation of society into sharply divided special interest groups]. That is a job for local administrations, who can organize such initiatives with full objectivity. Moreover, caution is necessary because one must be sure not to compete with the traditional employment system.

[Question] Isn't all that merely a little occupational therapy?

Schiltz: And what's wrong with that? Moreover it is not a matter of whether the work done is profitable or not, but of whether it is socially useful and appreciated. Although it is important, of course, these initiatives fall outside of the regular wage-earning procedure, but ultimately it might lead to that.

[Question] Aren't the unemployed actually reduced to a marginal existence in that manner? It is noteworthy that you don't mention the traditional labor channels at all. Yet you yourself made proposals in that respect in the past, including that of lengthening the workweek to 42 hours. Might, on the other hand, a shortening of the workweek not be a solution, partly as "compensation" for increased productivity?

Schiltz: Obviously I can't deal with everything at once. But I don't believe in a straight shortening of the workweek. What is at issue is the unit cost per product. The mechanism to compensate increased productivity with shortening of the workweek might have been possible in the past, because labor productivity was important. Due to the increase of the wage cost for

companies (and I am not referring to the net wage received by the employee), employees have priced themselves out of the market, for it led to a substitution of labor by capital goods, which turned out to be much more profitable for the capitalist entrepreneur.

The problems with respect to a shorter workweek is something which must be settled on the long term and on a continental scale. That is of course the direction which the developments are taking, although it should be carried out selectively. You see, I don't quite agree with the monistic solutions, such as that of Tamas Palasthy, which claim that there is one general answer. That is not the case. Moreover we cannot permit ourselves either to pursue a policy in Belgium which completely deviates from what is happening in the rest of Europe. Surely we can't pursue an isolationist policy in Albanian fashion. For that matter, the Americans would never tolerate their supply port of Zeebrugge to be located in an Albania.

My proposal for a longer workweek was aimed at substituting a cut in pay for a cut in time. The intention was to keep the purchasing power stable in that manner and to avoid a collapse of the domestic market. However, the current government is racing against time: the domestic market is indeed disintegrating, while the results of the recovery policy are not being felt sufficiently as yet. I was not very successful with that proposal, but I see that the 5-3-3 arrangement of the government does not yield much either.

Look, the real issue is that we should make an end to a provincial, narrow-minded policy and not be seduced by /les horizons qui chantent/ [greener pastures] which in fact is only an alibi not to have to do anything concrete.

Collaborate

[Question] According to the polls in connection with the elections of 8 December, it looks as if the People's Union will be called to strengthen the current government majority. Apart from what might happen in Brussels or Wallonia, are you prepared to collaborate?

Schiltz: I am prepared to collaborate with whomever enables me to adequately achieve the objectives I have worked for my whole life. Once I said very recklessly that I would bring about federalism, if necessary with the devil, so why not with the CVP [Flemish Social Christian Party]?

Anyway, everyone speaks as if we ought to strengthen the majority, but who is to say that the CVP simply won't get together again with the socialists? The CVP can do whatever it wants, can't it?

[Question] After the 4-year denunciation of the socialists, surely that wouldn't be very decent to the voter?

Schiltz: Are you really asking me to attach any importance whatsoever to the word decent when referring to the CVP?

[Question] What will your conditions be for government participation?

Schiltz: It depends only on the power which can be applied, a power which the voter will decide on. Those who want us to be in the government will have to pay a political price. And those who really need us will pay that price, that's how politics work. Our conditions imply that there will be change, both in the central government and in the executive. The adventure with the Egmont Treaty has been particularly beneficial to us, in the sense that a number of taboos were destroyed and, moreover, that one should not be limited to idyllic intentions. To get something, one must be willing to give up something; it is better to achieve a little less in politics, but something real, than to remain completely pure and achieve nothing.

Our conditions apply primarily to the distribution of financial means, the concrete authorities by which the executive must acquire much more elbow-room than is the case now. Moreover, the hierarchy between the central government and the executive must be better regulated. It is also essential that there be an end to the mandate by which the Flemish members of parliament are simultaneously the members of the Flemish Council, but through which that Flemish Council has become primarily a branch of the central parliament.

[Question] Thus that implies the rapid reformation of the Senate?

Schiltz: Oh no, not at all; that would be the best guarantee for the matter to be given a first-class funeral. Then nothing will ever come of it. No, leave those men in the Senate. On the contrary, an independent Flemish parliament should be elected. I would rather like to know who would vote against such a bill; I would especially like to count the Walloon socialists who would dare vote against it.

[Question] That is true, of course, but it is a good prod in politics to give people a motive to increase their own power. And that power certainly won't increase much through extensive goodwill toward the central government, on the contrary. Such a Flemish parliament would be much more combative. Moreover, there is another democratic concern: a separate election of the members of the Flemish Council would allow a better localizing of the politician. Now the voter doesn't know whom he votes for, for someone who is seated in the central parliament or in the Flemish parliament. In case of a division, the voter would be able to judge the deeds of the elected very concretely. That double mandate is the original sin of the 1980 state reform.

Symbol

[Question] Wasn't the defective distribution of power and means precisely included in the texts of that state reform?

Schiltz: It certainly didn't have the same meaning given to it by the members of parliament of 1980. However, I warned about the unreliable texts of the then government, and therefore I was taken for a pessimist. The state reform could have turned out in a very different way, however, if one had wanted it. For example, in 1980 everyone thought that nothing would be left of the Department of Interior Affairs, while it was precisely Minister Charles-Ferdinand Nothomb (PSC [Walloon Social Christian Party]) of Interior Affairs who destroyed federalism.

[Question] According to the polls, the People's Union does not seem to have benefitted from all those frustrations, including that of the disappearing tricks with respect to steel or Happart.

Schiltz: There is indeed a lull in the storm. When those matters were current we benefitted from them, but now that is no longer a motivation. People have a long memory with respect to the undercurrent, but it is very short for current problems. It is also a fact, however, that the People's Union has insufficiently succeeded in explaining the link between the communal and socioeconomic problems. It is still true, though, that other parties will not succeed in obtaining an electoral advantage from the communal concern: a study has proven that in that respect the people see the People's Union as the only reliable party.

[Question] Your socioeconomic program doesn't deviate very much from that of the CVP, does it?

Schiltz: There are no 37 different possibilities for one economic policy. There is the Keynesian model, the monetarist one and, finally, the pragmatic market model. That market conformity of the economic policy is found in the center parties of which there are two in Flanders, the CVP and the VU. Thus that is normal. The difference is that we emphasize different things in a number of areas (such as in social security) and especially that the CVP is a collection of power groups and positions on the basis of confessionalism, whereas the VU is based on individual adherence and is non-confessional. Our socioeconomic model is less sharply defined, perhaps, but it is not not less clear because of that; it is based on social consensus and solidarity, embracing all classes, for we have noticed that the majority of Flemings think that way.

[Question] And what about the missiles. Must they go?

Schiltz: Apart from the fact that those missiles are probably already scrap metal for the military, they fulfill an important symbolic function. I am not a demonstrative type, but rather a cool rationalist, and yet I have demonstrated with full conviction against the placing of the missiles. As to the VU, the standpoint is clear: the government must unambiguously have the intention to have those missiles removed. The missiles must go, that is a /conditio sine qua non/. In that respect our standpoint does not differ from that of the socialists.

[Question] In conclusion: Wallonia wants to levy a tax on the water export to Flanders . . .

Schiltz: They're on the wrong track, of course, by demanding that the central government intervene; only people who are overcome by the drugs of the CVP mediocrity react that way. That is wrong, for we control the money faucet. Water tax? Well, then the Flemish majority in parliament ought to vote in a law--and that is possible with a simple majority--which stipulates that the equivalent of the yield of that tax is deducted from the allowance of the Walloon region (for that allowance is too large even now) and transferred to

Flanders. And then we'd be finished with it. Moreover, such situations could offer a good basis for serious negotiations. Water tax? OK, but then Wallonia must approve the water treaties with the Netherlands, etc. They don't want that? OK, then no water tax either. That's how one deals with politics seriously. But no, now they want unitarianism to come and save Flanders again.

8700

CSO: 3614/92

ECONOMIC

DENMARK

## EC CONGRATULATES COUNTRY ON UNEMPLOYMENT FIGHT

### More Jobs Created

Copenhagen BERLINGSKE TIDENDE in Danish 6 Jul 85 Sect III p 7

[Article: "EC Praises Denmark On Fight Against Unemployment--But Essential To Continue Consolidation Policy Owing To Slim Margin In Public Finances"]

[Text] Brussels--Denmark is being commended by the European Communities Commission because more jobs have been created, but at the same time the Commission says in a report to finance ministers that there is not much room for maneuvering and that a the consolidation policy will continue.

The report, which will be presented on Monday in Brussels at the council meeting of economics and finance ministers, says, among other things, that wage restraints have now been maintained in Denmark for almost four years, and this has led to improved competitive power, a growth in exports, and a noteworthy increase in the yield of private investments. Economic growth is in the vicinity of 3 percent or more. The inflation rate has gone down sharply, so private consumption, despite wage restraints, can be expected to give a powerful push to economic activity next year.

The Commission's report goes on to say that Denmark is the only European Communities country in which employment in 1986, for the sixth year in a row, will be improved, and in which unemployment will go down.

But the report adds that Denmark does not have a real margin for maneuvering in public finance until the balance is more certain, and it is therefore essential to continue with the consolidation policy.

The Commission confirms that through next year Denmark will experience the largest growth in the Common Market, of 3.1 percent.

The economics and finance ministers--Denmark to be represented by Economics Minister Anders Andersen, Moderate Liberal Party--will have their first discussion of the European Communities' so called budget discipline, an attempt to impose a ceiling on agricultural expenditures and overall to keep expenditures on a level with income.

Together with Italy, Greece, and Ireland, Denmark will work for a system which is as cautious as possible so that the budget framework does not become too tight, while most of the other countries will press to prevent hikes in expenditures.

No specific decisions are expected from the ministers' negotiations on Monday.

#### Improvement Over 1984

Copenhagen BERLINGSKI TIDENDE in Danish 8 Jul 85 Sec III p 9

[Article: "Rise In Unemployment--But Decrease Compared To Same Period Last Year"]

[Text] Unemployment rose again during this week, in which 258,002 unemployed were registered with employment exchanges last Wednesday, it was reported in the Labor Office's weekly report.

There are almost 3,600 more unemployed than on Wednesday of the previous week.

However, compared to the same week last year, there is talk of a decrease in the number of registered unemployed. In the corresponding week last year there were 283,900 unemployed.

The number of unemployed BBA's is rising; unemployment funds in the academic sector are reflecting increasing unemployment as well, which is connected with the entry into the labor market of newly trained academics.

12789

CSO: 3613/166

ECONOMIC

DENMARK

STATISTICS AGENCY CITES IMPROVED EMPLOYMENT, WAGE FIGURES

Copenhagen BERLINGSKE TIDENDE in Danish 5 Jul 85 p 2

[Article by Henrik Skov: "Industry On the Right Road"]

[Text] The most recent figures of the Danish Statistical Office on industrial employment for March of this year support the Industry Council's immediate reaction. The figures also show a wide range of wages in industry, with the metals industry having taken over by far the largest share of the increase in employment.

"Industrial employment looks great. It is an extremely positive development for 23,900 more employed to have entered industry in March 1985 as compared to March 1984," Henrik Bach Mortensen, managing clerk in the Industry Council, told BERLINGSKE. "Industry is on the right road."

Henrik Bacvh Mortensen continued: "This development agrees nicely with the Industry Council's earlier employment prediction and we also believe the questionnaire we sent to our membership is on target. This means that in the course of 1986 industry will achieve a level of employment in the vicinity of 382,000--on a level with the very high industrial employment in 1979 just before the second oil crisis set in."

The March figures published yesterday by the Danish Statistical Office show that progress in employment is divided into 16,000 blue-collar and 7,900 white-collar employees. The total number of employees in industry in March therefore approaches the 377,800 mark.

The Danish Statistical Office also calculates a seasonally-adjusted employment index, which is a measure of the number of hours worked by industrial workers. In March the index stood at 87.5 as against 100.6 for February and 103.1 for January. The Danish Statistical Office cited labor conflicts during the last week of March as the principal reason for this decrease.

The hourly wage index for industrial workers in March 1985 climbed by 3.8 percent in comparison with the same month last year, whereas the monthly wage index for industrial white-collar employees during the same period soared by 4.2 percent.



If comparisons are steadily made from March of this year to March of last year, it appears that the iron and metal industry alone is responsible for 11,000 out of the total of 16,000 on the blue-collar workers' side. A corresponding trend recurs with white-collar employees; in the iron and metal industry they accounted for 4,600 of the total increase of 7,900.

The extraction of raw materials and the stone, ceramics and glass industry are the only two branches of industry which have experienced a slight decrease in total employment. On the other hand, the extraction of raw materials comes in first place with respect to wage increases. During the year under discussion, white-collar employees received 10 percent more in their pay envelopes, while blue-collar workers took home 6 percent more. Lowest for blue-collar workers is the stone, ceramic and glass industry, with an hourly wage increase of 2 percent, while on the white-collar side, it was white-collar employees in the chemical industry plus what the Danish Statistical Office lumps together as "other industry" which had to settle for last place, with a 2 percent increase.

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CSO: 3613/166

ECONOMIC

GREECE

#### PUBLIC ENTERPRISES DEFICIT MOUNTS

Athens MESIMVRINI in Greek 7 Jun 85 p 11

[Text] The deficit of public enterprises showed a rapid increase during the past few years as a result of the long-term policy that was followed in this sector.

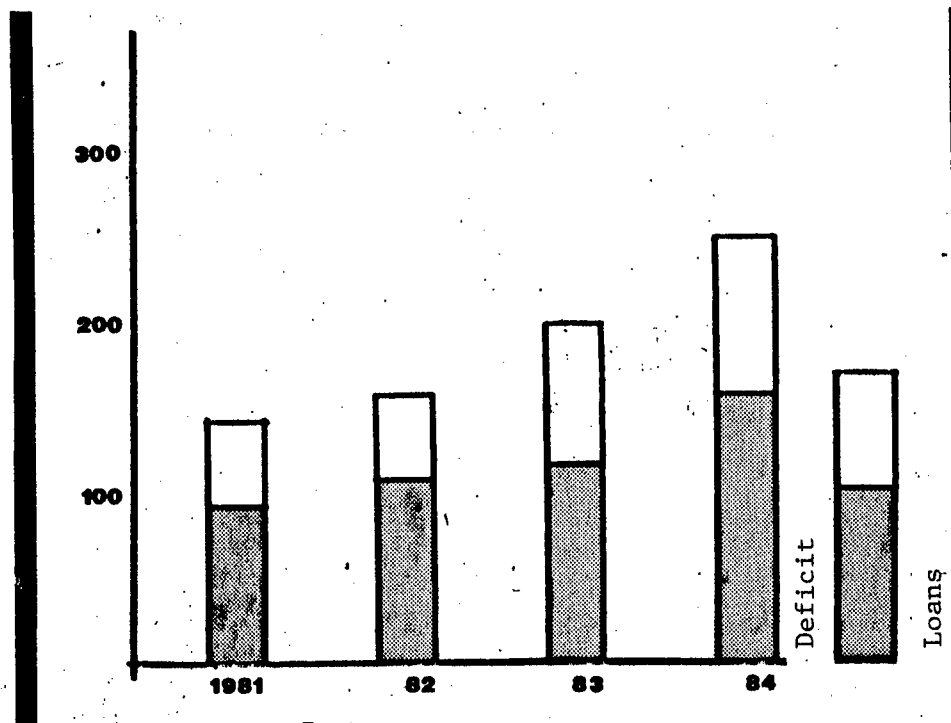
It should be pointed out that the financing of this deficit is covered on an average of 62.5 percent by bank loans, thus creating a vicious circle.

On the other hand, in 1984, the total aggregate expenditures of the main public enterprises reached 648 billion drachmai as compared to 500.3 billion drachmai in 1983 and 406.8 billion drachmai in 1982, showing an increase of 29.5 percent in 1984 as compared to 23 percent in 1983.

In addition, the income of these enterprises increased during the previous year at a much lower rate than that of 1983.

At the same time, most public enterprises faced increased expenditures, five of the largest public enterprises--DEI [Public Power Corporation], OTE [Greek Telecommunications Organization], EAB [Greek Aircraft Industry], EYDAP [Capital Area Water Supply and Drainage Company] and Olympic Airlines--reached approximately 26 percent of their expenditures for interest alone during 1983 and 1984 as compared to 23 percent in 1981. The rising trend in this type of expenditures is due to increased interest rates and to the intensification of the investment effort of the enterprises and is also connected to the weaknesses in their capital structures. More specifically, for several years the investment programs of the public enterprises have been financed mainly through loan capital and, to a lesser degree, through self-financing and government subsidies and the European Regional Development Fund with the result of a significant worsening of relations between private individuals and foreign capital. It should be noted that during the 3-year period 1981-1983 the investments of the public enterprises, as a percentage of the GNP, amounted to an average of 3.7 percent and to 3.9 in 1984 as compared to approximately 2.6 during the 1975-80 period.

THE DEFICIT OF  
PUBLIC ENTERPRISES AND FINANCING  
Billions of  
Drachmai



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CSO: 3521/280

ECONOMIC

ICELAND

# PRIME MINISTER, PARTY LEADERS DISCUSS DEBT BURDEN

Reykjavik MORGUNBLADID in Icelandic 12 Jun 85 p 2

[Article: "Foreign Debt Accumulation Greatest Problem, Say Party Leaders"]

[Text] The leaders of Icelandic political parties were in agreement during the "kitchen Day" budgetary discussions in the Althing yesterday evening that its most urgent task is to stem the increase in foreign debt. Spokesmen for those opposed to the government said that the government has failed in its management of the economy and that it puts the interests of wage earners last.

Prime Minister Steingrimur Hermannsson said in his speech that foreign debt accumulation is the greatest Icelandic problem at present. Last year 5 billion kronas had to be reserved to pay the interest on foreign debts. Things have gotten so bad that it is scarcely possible to make a decision on national issues without taking foreign debt accumulation into consideration. Thorsteinn Pálsson, chairman of the Independence Party said that the first goal in economics should be to curb excesses in foreign loans for operations and consumption. The most restrains in debt accumulation should be put on fisheries if their operating position is to be secured. Pálsson said that supporters of the Independence Party in the present government should be duty-bound to see to it that success is achieved in these areas, something intended by last autumn's agreement by the political parties. We are aware of the fact that there has been wide-spread formation of individual companies in fisheries, the value of exports has, however, worsened by 8 billion kronur since 1980.

Discussions centered in particular on economic and wage issues. Government opponents said that the government is more concerned about the interests of the well-off than it is about those of lesser means. Svavar Gestsson, chairman of the People's Alliance Party, said that guarantees of purchasing power was the key issue in the struggle of wage earners and that it is absolutely necessary for the government of the rich to leave office. Johanna Sigurdardottir, deputy chairman of the Social Democratic Party, said that the government has injured wage earners at the same time the other side of the nation lives a life of luxury.

Spokesmen of the Social Democratic Alliance reiterated its position that the Prime Minister should call for direct elections, dissolve the Althing and make Iceland into a single electoral district outside of areas distinguished by a large degree of self government.

Kristin Astgeirsdottir, a spokesman for the Women's List, was happy in particular about the solidarity of the Althing on the proposal on disarmament issues and said that she thought that the interest of women in peace issues meant a policy change in foreign affairs.

Thorsteinn Palsson, chairman of the Independence Party, said among other things on the resolution of the Althing on peace and disarmament issues: "The policy has been reiterated that there will be no nuclear weapons positioned in Iceland without the agreement of the Icelandic authorities. In addition, proposals on a nuclear-free zone are connected to participation by NATO countries in mutual agreements on the abolition of nuclear weapons. The Independence Party supported this statement on this basis and will not allow the interpretations of the leaders of the People's Alliance to change the foreign policy of Iceland."

9857

CSO: 3626/39

ECONOMIC

ICELAND

# SEVERE DROP IN EXPORT EARNINGS SINCE 1980

Reykjavik MORGUNBLADID in Icelandic 11 Jun 85 pp 34-35

[Article: "Export Value Eight Billion Less in 1984 than in 1980"]

[Text] The value of total Icelandic Exports last year was 186 million United States Dollars or 7.7 billion Kronur less than what it was in 1980. The value of fisheries exports has fallen still more. Fisheries exports were 197 million United States Dollars or 8 billion kronur less last year than in 1980. These facts emerged from a discussion MORGUNBLADID had with Magnus Gunnarsson, executive director of the Icelandic Employers Union (VSI), in connection with VSI proposals on new wage agreements and their scope. These statements have been presented by the VSI in its discussions held in past days and weeks with member unions and associations of the Icelandic National Union on new wage agreements.

Gunnarsson said that according to public information the value of total exports (fob) in 1980 was 931 million United States dollars. Last year the value was 745 million. The value of fisheries exports in 1980 was 697 million dollars or around 75 percent of total exports. Last year the value of fisheries exports was at the 500-million dollar level or 67.1 percent of the total export value.

"There has been a considerable loss of fisheries employment and of outfitters," said Gunnarsson. "It is clear that a sector of the Icelandic economy, so bad off that income was 8 billion kronur less last year than in 1980, is in considerable difficulty. And that should effect the nation as a whole. This is the reality we face as we discuss new wage agreements," he said. "This is because we must look there for the primary causes of the wage cuts that have taken place in past months. The public has taken the deficit upon itself--the public at large and the companies. This is clearly visible from the wages of the people and the conditions of companies. And while the government continues to spend as if the value of national income was unchanged. Government has not cut its own expenditures to the degree that we have," he said.

--But not all sectors of Icelandic employment are bad--has not, in particular, the situation of commerce been extremely good when wage earners have taken upon themselves the lion's share of the wage cuts?

"Expansion has been financed with foreign loans," answered the executive director of VSI, "something that creates more problems for us than when the money is on hand. For this reason certain sectors are in a good condition, commerce for example, but that has nothing to do with the sector itself. Billions and billions are being poured into Iceland to finance operations of the state and debatable financing. The fact is that other points of view besides the point of view of profit play too much of a role in finances here in Iceland."

Gunnarsson noted that interest from foreign loans was 85 million kronur in 1980, 9.1 percent of total export income. Last year 144 million kronur was paid in interest, i.e. 19.3 percent of total national income.

"The superstructure in this little nation of ours has become too great--the Icelandic people cannot support all that which we want to do and want to have done for us," said Gunnarsson. "Conditions in Iceland have become bad, no one denies that, and the reasons for that are certain definite economic preconditions, not so much the fault of the present government as of that in office before or before that. Government is not dealing with facts and has not done so for a long time. Through our proposals for new wage agreements we are attempting to deal with the facts and the situation that we are in. Economic projects for this year indicate some increase in the export value--so long as labor peace is maintained in Iceland. We are endeavoring to make it so."

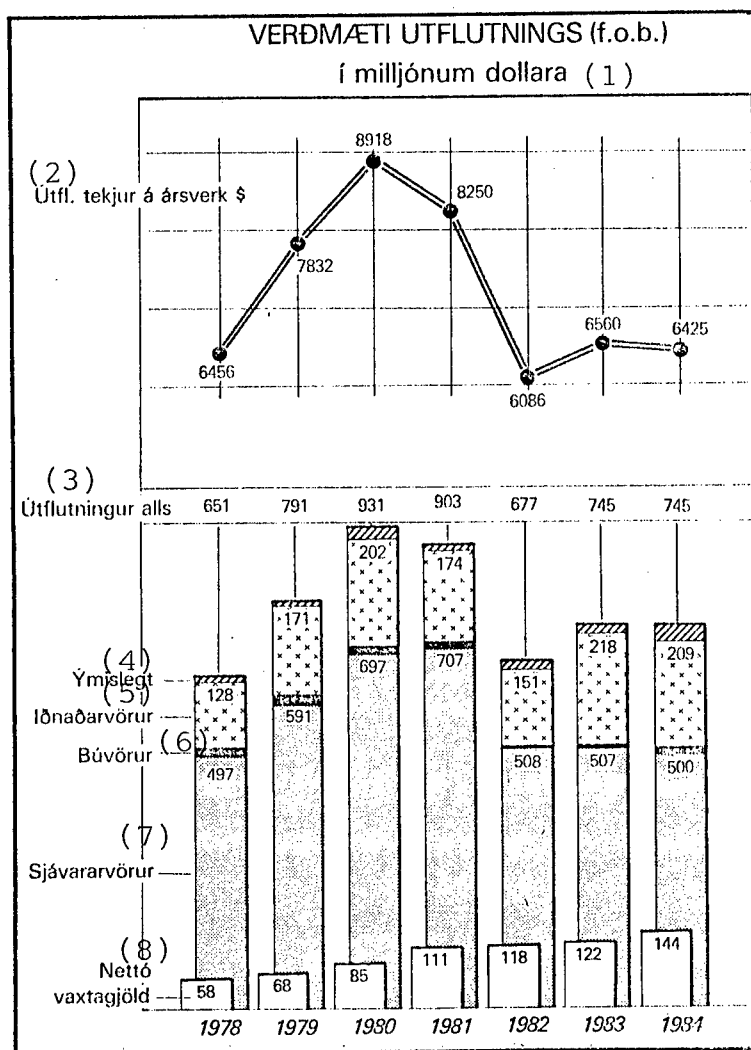


Table 1: Icelandic Exports 1978-1984 (F.O.B.)

Key:

- |                                      |                          |
|--------------------------------------|--------------------------|
| 1. In Millions of Dollars            | 5. Industrial Goods      |
| 2. Export Income Per Year in Dollars | 6. Agricultural Prod.    |
| 3. Total Exports                     | 7. Fisheries Products    |
| 4. Various                           | 8. Net Interest Payments |

9857

CSO: 3626/39



ECONOMIC

PORTUGAL

# IMPROVED FOREIGN EXCHANGE SITUATION HIDES PROBLEM

Lisbon SEMANARIO in Portuguese 15 Jun 85 p 19

[Article by F. Sarsfield Cabral: "Costly 'Goodies'"]

[Text] At the moment, the country's exchange situation is not bad: the decline in economic activity has cut down on imports, petroleum prices are tending to decline, the rain has reduced purchases of foreign electric power and of "fuel" to produce electricity domestically, the dollar is not what it was, international interest rates are declining, and so on. All this should permit a policy of advantages and "goodies" for the consumer, an example of which is the drop in meat prices.

In other words, the relief gained on the foreign front will not serve to promote investment (which has been in a sharp decline for 2 years, a situation which a possible drop in interest rates will not change), but merely to bring consumption back up, without solving any of the structural economic problems which, in time, always end by creating an unfavorable balance of payments.

The most complex of these problems is the state's budget deficit. Nothing significant was achieved in this area during the PS/PSD [Socialist Party/ Social Democratic Party] government; this year alone, no less than 14,000 new civil servants were taken on in the Central Administration. There was also a decisive impetus toward tax fraud and evasion, since the government took measures which, by their violence and immorality, excused tax evasion in the minds of the public (we note the retroactive taxes of 1983 and, more recently, the continuation in 1985 of the extraordinary tax on certain company expenses, budgeted for 1984).

Incidentally, the budget for this year provides for a largest deficit (9.5 percent of the PIB [Gross Domestic Product] as against 8.5 percent in 1984) and it is obvious--it has always been obvious--that the deficit stated in the budget (256 million contos) is far from reality (at least 300 million contos). We need only mention the decline in revenues provoked by the postponement of the IVA [Value Added Tax] and by other such election-year "goodies" (if the interest on deposits declines, it will be at the cost of the tax on capital), not to mention the predictable lack of control over certain expenses, from the artificial maintenance of prices to public works.

Well, the money absorbed in this manner is money which the productive sector needs. Moreover, since the budget deficit is financed largely by simple issue of currency, at some point we will have a new aggravation of inflation and new pressure to import, because this is the inevitable result of putting more money in circulation without a corresponding increase in production and in the domestic supply. In addition, when the public debt increases, there is an automatic increase in the proportion of state revenues absorbed by interest payments and amortizations. The proportion was over 50 percent this year and it will be higher next year. One way or another, everything has a price; we will pay dearly for the election-year "goodies."

6362

CSO: 3542/201

ECONOMIC

PORTUGAL

#### STEADY RISE NOTED IN UNEMPLOYMENT RATE

Lisbon DIARIO DE NOTICIAS in Portuguese 20 Jun 85 p 4

[Text] At the end of April, 337,104 jobless people were registered at employment centers throughout the country, 0.6 percent more than in the previous month and 13.7 percent more than there were a year ago.

According to the monthly job market report of the IEFP (Institute of Employment and Job Training), the unemployment picture is presenting the same characteristics that it has shown since 1983.

The institute notes that the increase in unemployment in April was the result of a growth in the number of jobless males, of new entrants into the job market and of applicants for typical jobs in industry and civil construction.

The IEFP indicates that the regional distribution of unemployment shows a greater concentration in the major urban and industrial zones. The largest numbers of jobless are concentrated, in order, in the districts of Lisbon, Porto and Setubal, which together account for 44.4 percent of the unemployed in the nation.

On the other hand, the number of unemployed receiving compensation has dropped to 81,891, down 1.5 percent from March. There was also a slight decline in the rate of coverage of this system of social protection, which now stands at 24.3 percent.

Job offers also declined in relation to March and to last year, interrupting a rising trend which had been observed since the beginning of the year.

The IEFP adds that 14,117 job applicants were registered during the month; 13,845 of them were unemployed and 9,606 requested unemployment compensation.

In April, 1,881 employment offers were received by the employment centers and there were 1,096 placements, an increase of 29.2 percent in relation to the previous month.

#### CGTP Study

More than 60 percent of the unemployed in Portugal are young people, according to a study by the CGTP [General Confederation of Portuguese workers] to which ANOP had access.

In 1982, it was found that 62.1 percent of the jobless were under 25 years of age; the juvenile unemployment rate was 3.5 times as high as the adult rate.

The CGTP study was part of the preparation for the first national conference of young workers, which will take place Saturday in Lisbon, under the slogan: "For the Right to Work; for Union and Democratic Freedoms."

The CGTP document to which ANOP had access states that the unemployment rates reached levels unprecedented since the post-war era, going from 3 percent to 10.3 percent between 1973 and 1984 in the EEC countries, the result of an average annual decline of 0.1 percent in the job volume, combined with a growth of 0.63 percent per year in the economically active population.

In the group of the seven most industrialized countries, a total of about 8.5 million young people were unemployed in 1984.

There are more than 1.6 million young people in Portugal, representing 16 percent of the population. Of these, 41 percent are employed; 39 percent are attending school; 10 percent are unemployed; 4 percent are student-workers; 4 percent are housewives; and 2 percent are in the military service.

About 79 percent of the young people who are working are employed by someone else, but 75 percent have no definite contract and 60 percent are earning less than 15 contos.

The CGTP document stresses that young people are at a great disadvantage in relation to adults, because their experience and professional qualifications are generally at a lower level and, with the current job shortage, companies give preference to professionally skilled workers.

The CGTP study notes that, since 1973, the employment situation in Portugal has experienced three distinct periods in which the market has not been able to absorb the increases in the economically active population.

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CSO: 3542/201

ECONOMIC

PORTUGAL

BRIEFS

**MAY INFLATION RATE SLOWED**--The inflation rate, excluding the cost of housing, reached 10.4 percent in the first 5 months of 1985, according to ANOP [Portuguese News Agency] calculations, based on data released by the National Institute of Statistics [INE]. In May, prices rose only 0.3 percent in relation to April; the inflation rate from May 1984 to May 1985 was 23.8 percent. The average annual price variation in the last 12 months was 26 percent, according to the INE. The largest increases last month occurred in clothing and shoes (up 1.6 percent) and in household expenses (up 0.6 percent). There was also a 0.4 percent drop in the cost of food and beverages and a 1.3 percent increase in the cost of sundries. [Excerpt] [Lisbon DIARIO DE NOTICIAS in Portuguese 19 Jun 85 p 5] 6362

**EMIGRANTS' REMITTANCES DECREASE**--Remittances from emigrants decreased in the first quarter of 1985 in comparison with the same period of 1984: from \$492.7 million last year to \$397.3 million this year. However, this sharp drop results more from the behavior of the U.S. currency this year than from a substantial drop in remittances. Thus, measured in European Currency Units (ECU's), the amounts were, respectively, 588 million ECU's and 581 million ECU's. Moreover, the tourism balance was 135 million ECU's in the first quarter of 1984 but rose to 160 million ECU's in the same period of this year. [Text] [Lisbon TEMPO ECONOMICO in Portuguese 28 Jun-4 Jul 85 p 1] 8834

CSO: 3542/214

ENERGY

NORWAY

# ENERGY MINISTER SEES ROLE FOR FOREIGN FIRMS IN NEW FIELDS

Oslo AFTENPOSTEN in Norwegian 19 Jun 85 p 4

[Article by Elisabeth Holte: "Kare Kristiansen on the Norwegian Shelf: 'Foreign Firms Necessary'"]

[Text] Paris, 18 June--"I am not in doubt that foreign firms will play an important role in the development of the Norwegian shelf, including in the future. The Norwegian government believes that it is both desirable and necessary for Norway to have foreign firms integrated into the activity on our shelf and therefore, we are open to continued participation by foreign companies, with the international competition which results from that," stated Oil and Energy Minister Kare Kristiansen in his speech at a French-Norwegian oil technology seminar in Paris yesterday.

It was precisely words like these which the French portion of the group of about 250 French and Norwegian oil industry people wanted to hear, but beyond generally positive signals both as respects offshore operations and industrial contracts, the minister could not make any promises at this time.

The two-day oil technology seminar was arranged by Norway's Export Council in cooperation with Norway's Shippers' Association, the new French-Norwegian research foundation (which presently has about 70 members) and the French-Norwegian chamber of commerce. There were also to have been 60-70 bi-national meetings between French and Norwegian concerns in hopes of their being able to work together. Half of these contacts were between the French oil companies Elf Aquitaine or Total on the one hand, and Norwegian companies on the other.

Elf and Total today account for approximately 20 percent of the production on the Norwegian shelf, and Kristiansen expressed great satisfaction with the work which the French companies have done. Elf, however, had made it clear that it must reevaluate the issue of continued involvement in Norway if it did not receive a satisfactory concession under allotment round number 10, which is to take place in a month or two. Kristiansen could not promise anything, but said that Elf is one of the few companies which previously always has received an allotment in every round. That should give a suggestion of how we have been, and continue to be, disposed toward treating Elf, he said. The minister pointed to the interesting possibilities which will

be available for both Norwegian and international oil concerns when the blocks in leasing rounds 11, 12 and 13 are to be allocated beginning next year after Parliament, as recently as last week, considered the government's proposal. Of the 138 blocks which these three rounds encompass, 42 will be allocated in round 11, he stated.

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CSO: 3639/133

ENERGY

NORWAY

# DRILLING START IN NEW FIELD MAY INCUR OPEC ANGER

Oslo AFTENPOSTEN in Norwegian 3 Jul 85 p 25

[Article by Flemming Dahl and Morten Woldsdal: "Milestone for Oil-Norway"]

[Text] Statfjord Field, 2 July--A half year ahead of the original schedule, Oil and Energy Minister Kare Kristiansen today pushed a button in the control room and thereby officially started oil production on the Statfjord C-Platform.

In reality, the oil people out here had sneaked a start and had begun production a few days in advance. They would not take the chance that something might go wrong when the minister came visiting.

It was Kristiansen's first visit to the Statfjord field, which stretches over the boundary between the Norwegian and British sectors in the North Sea. And as he said after arriving by helicopter: "This makes a powerful impression."

Kristiansen's pressing the button coincided with this largest of all known oil fields in the North Sea being completely developed with three impressively large platforms--A, B and C--together with three buoys for loading the oil on board tanker ships.

"This is an important milestone in Norway's relatively short history as an oil-producing nation," Kare Kristiansen commented. He praised the oil companies which own the field--with the American Mobil Oil in the lead as operator--not only for the fact that Statfjord C was kept well within schedule, but also well within budget.

In 1980, the budget for the Statfjord C project was 11.7 billion kroner, although it subsequently has been pushed down to 11 billion. The construction of the C-platform has gone much smoother than the construction of the A-platform did in its time, and also smoother than the construction of the B-platform.

On a calm summer day in the North Sea--with lightly overcast weather and a sea nearly as smooth as a mirror--Kristiansen was shown around the new Statfjord C by platform chief Gordon L. Brown and the head of Mobil in Norway, Mike Smith. Other guests--from the Oil and Energy Ministry, the Oil Commission and the other oil companies with ownership interests in the field--also were in the entourage which inspected the platform.



Mobil director Mike Smith used the occasion to thank the many individuals, supply companies and the authorities who have contributed toward making Statfjord what it is--a field which should produce oil until around the year 2015, along with a substantial amount of gas worth hundreds of billions of kroner.

Smith pointed out especially that Norwegian industry has contributed 76 percent of the value of the goods and services for the Statfjord C-platform.

#### No 34/8 Promises to Mobil

Oil and Energy Minister Kare Kristiansen did not give Mobil any promises on participation in the promising block 34/8 while he was Mobil's guest in the Statfjord field on Tuesday.

Parliament has decided that on 1 January 1987, Mobil must transfer operator responsibility in the Statfjord field to Statoil, and this contributes significantly to Mobil being intensely desirous of a role in 34/8.

"I cannot comment on anything having to do with the allocation of 34/8," Kristiansen said to news reporters who covered his Statfjord visit. But he maintained nonetheless that the government has not yet made a decision on which companies should play what roles in this block, which is viewed as possibly containing as much oil as Statfjord.

He confirmed that the government has discussed the matter, but said that the government has not progressed as far in its decision-making process as the news media have come in their speculation over the final result. "I hardly think that we will have any decision prior to August," Kristiansen said.

It is generally assumed among observers that an internal tug of war is taking place within the government concerning which companies should be allowed to participate in 34/8. Kristiansen is assumed to be among those who is holding the door ajar for participation by Mobil.

During his Statfjord visit, Kristiansen said that the companies which have participated here, with Mobil as the operator, have done "a really good job." But he would not go so far as to conclude that Mobil thereby has assured itself participation in 34/8.

#### Norway Again in Danger of Incurring OPEC's Anger

Norway once again is in danger of incurring OPEC's anger with the start of production from Statfjord's C-platform just three days prior to the organization's crisis meeting in Vienna. It is thought within the international oil world that the start of Statfjord C comes at a psychologically very unfortunate time.

At the same time, it has become known that Saudi Arabia has prepared a report on how far oil prices need to be pushed down before the Norwegian and British oil fields will become unprofitable to operate. Both the Norwegian authorities and Statoil have knowledge of the report.

According to the report, however, the poor OPEC countries such as Nigeria and Indonesia would be affected by a low price before the North Sea producers would be. The report is said to conclude that the price of oil would need to be under \$10 per barrel before Norway and Great Britain would need to shut down their existing oil fields. Long before then, it is the OPEC countries which would collapse completely economically.

#### More of a Warning

Saudi Arabia and the other OPEC countries previously have threatened to lower oil prices so much that the North Sea producers would be forced out of the market. According to the current report, it is assumed within the international oil world that Saudi Arabia will be more cautious than to become serious with its threats.

OPEC previously has criticized Norway and Great Britain for increasing their oil production. At the same time, many poor OPEC countries have been forced to reduce their production in order to maintain oil prices.

Because of the dramatic situation in the oil market today, it is possible that the OPEC ministers may approve in Vienna new decreases in production. This could be one of the only measures which might prevent a significant drop in oil prices worldwide.

#### Poor OPEC Countries

New reductions in production will be painful for many OPEC countries which are suffering great economic problems. The current low production also is extremely difficult for poor OPEC countries to accept since they could have produced two or three times as much oil as today. Therefore, observers in the international oil market believe that it is extremely unfortunate that Norway is increasing its oil production just three days prior to the crisis meeting. In the initial phase, Statfjord C-platform will produce over 60,000 barrels per day. Mobil, the operator company, calculates that in December production will be closer to 120,000 barrels daily, and the peak production of over 200,000 barrels will be reached during the course of 1986.

At the end of June, the two other platforms in Statfjord set a new joint production record of 600,000 barrels a day. Taken together with the production from C-platform and all other fields on the Norwegian shelf, Norway's oil production in the course of the year will reach 1 million barrels a day, which clearly is a new record. This is occurring despite the fact that production from Ekofisk is on the decline. By way of contrast, production in December of last year was around 800,000 barrels daily. With a daily production of 1 million barrels, Norway will become a larger oil producer than OPEC countries such as Kuwait, the United Arab Emirates, Qatar, Libya, Algeria, Gabon and Ecuador.

## Nothing Dramatic

Oil and Energy Minister Kare Kristiansen states to AFTENPOSTEN that the increase in Norwegian production is very small and that Norway today accounts for only about one percent of the total world oil production. He does not anticipate OPEC viewing the start of Statfjord C as a provocation, and Kristiansen does not see anything dramatic in the current situation.

Information director Willy H. Olsen from Statoil says that for a long time there has been the goal of starting Statfjord C during the summer of 1985. "The start of production is the result of a decision which was made many years ago. There was no one then who knew that OPEC would hold a crisis meeting in Vienna a few days later," says Willy H. Olsen. At the same time as Norwegian oil production is increasing, less oil is flowing up from Great Britain's continental shelf. Production fell from 2.6 million barrels a day in April to 2.4 million barrels in May. If OPEC views North Sea production overall, the British decline can "rescue" Norway as respects OPEC.

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